

Council Meeting of
May 17, 2011

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

Members of the Council:

SUBJECT: Public Works – Approve change order for Fiscal Year 2009-2010 Residential Slurry Seal Program, I-100. Expenditure: \$56,338.80

RECOMMENDATION

Recommendation of the Public Works Director that the City Council:

1. Approve a change order to the Public Works Agreement C2010-154 with Pavement Coatings Co. in the amount of \$53,656 and authorize a 5% contingency in the amount of \$2,682.80 to slurry seal various parking areas at City Hall as part of the Fiscal Year 2009-2010 Residential Slurry Seal Program, I-100; and
2. Authorize the Public Works Director to sign and execute said change order.

Funding

Funding is available from General funds previously appropriated to CIP I-100.

BACKGROUND

In July 2010, Your Honorable Body awarded a Public Works Agreement (C2010-154) to Pavement Coatings Co. in the amount of \$466,951.00 and authorized a 5% contingency of \$22,084.80 for the Fiscal Year 2009-2010 Residential Slurry Seal Program, I-100. The Program provided the application of slurry seal on several residential streets in five neighborhoods throughout the City, a parking area at the City Yard, and a parking area at the Torrance Police Department. The Contractor placed approximately 3.4 million square feet of slurry seal for this project and completed construction in March 2011.

ANALYSIS

Recently, Public Works staff inspected several parking areas surrounding City Hall. Specifically, we inspected the parking areas along Torrance Boulevard in front of the West Annex and Human Resources buildings and the drive aisle and parking areas between the same two buildings and the parking area north of the Human Resources building. A map of the work area is attached. Our inspection determined that the existing pavement surface needed minor repairs including crack sealing, a slurry seal and new striping. These areas are heavily used by the public and there is a need to ensure these areas are properly maintained.

To accomplish the repair work in the most expedient and cost effective manner, Public Works determined it best to add the work via a Change Order to our existing Agreement with Pavement Coatings Co, who was the lowest responsible bidder for the Fiscal Year 2009-2010 Residential Slurry Seal Program, I-100. The proposed repair work is similar to that performed under the original Agreement and the added cost is within the normal limit (up to 25%) of an acceptable contract increase for a public works infrastructure project. Our Agreement with Pavement Coatings Co. expires in July 2011 and the work can begin soon after the 2011 Armed Forces Day Parade and be completed before the contract expiration.

\$14,632.40 has already been added to the original Agreement via 2 previous change orders for additional slurry seal work on residential streets. Those change orders increased the Agreement from \$466,951.00 to \$481,583.40. If this Change Order is approved, the total contract will increase to \$535,239.40, an increase of \$53,656. Because these parking areas are not in the public right-of-way, the City must use General funds to cover the repair cost. Currently, the balance of previously appropriated General funds to the I-100 project is sufficient to cover the recommended Change Order.

Construction is anticipated to occur in June 2011. Work will be performed on Fridays that City Hall is closed and on Saturdays. Notification will be provided to minimize impacts to City services at the West Annex and main library.

Respectfully submitted,

ROBERT J. BESTE.
Public Works Director



By Craig Bilezerian
Engineering Manager

CONCUR:



Robert J. Beste
Public Works Director



for LeRoy J. Jackson
City Manager

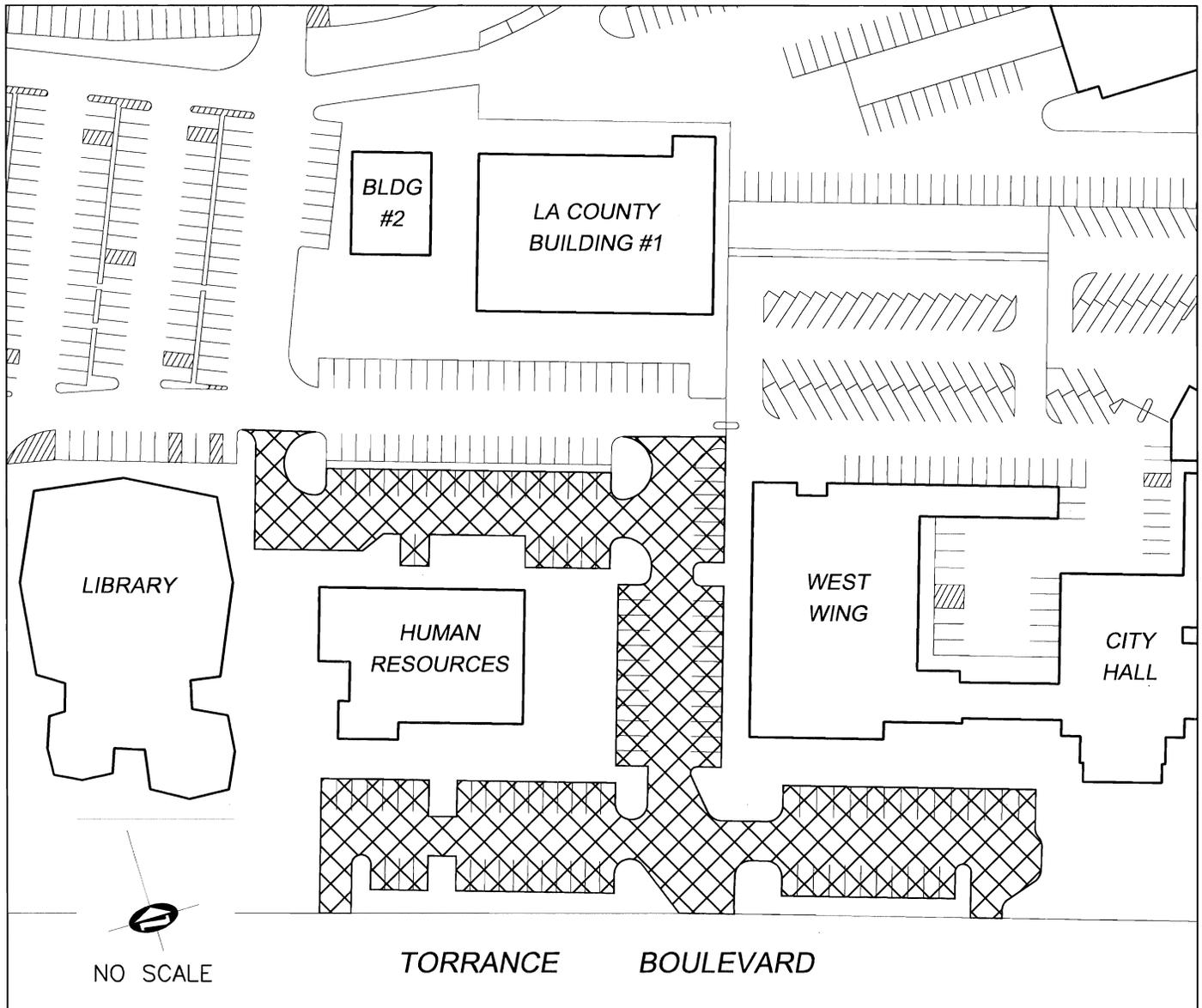
- Attachments:
- A. Project Location Map
 - B. Fee Proposal for City Hall parking areas
 - C. Change Order #2
 - D. Change Order #1
 - E. Public Works Agreement with Pavement Coatings Co.

CITY OF TORRANCE

FY2009-10 RESIDENTIAL SLURRY SEAL PROGRAM, I-100

Slurry Seal of City Hall Parking Areas

PROJECT LOCATION MAP



— PROJECT LOCATION
 (IMPROVEMENTS INCLUDE PAVEMENT PATCHING IN VARIOUS LOCATIONS, APPLICATION OF CRACK AND SLURRY SEAL, AND STRIPING INSTALLATION)



PUBLIC WORKS DEPARTMENT
 ROBERT J. BESTE
 PUBLIC WORKS DIRECTOR

PAVEMENT COATINGS CO.

SCHEDULE E - CITY HALL WEST WING PARKING LOT AREAS

ITEM NO.	DESCRIPTION	CONTRACT			
		UNIT	QTY.	UNIT PRICE	TOTAL BID
1	MOBILIZATION AND DEMOBILIZATION INCLUDING CONSTRUCTION SCHEDULE	LS	1	\$ 1,500.00	\$ 1,500.00
2	REPAIR LOCALIZED DAMAGED AC SURFACE/POTHOLE WITH 0.1'-THICK SECTION OF ASPHALT CONCRETE (TYPE D2-PG64-10). WORK INCLUDES SURFACE PREPARATION BY GRINDING DAMAGED SURFACE TO MINIMUM 18"x18" SQUARE AND 0.1' DEEP, TACK COATING AND COMPACTION.	LS	1	\$ 5,500.00	\$ 5,500.00
3	CRACK SEALING	LS	1	\$ 5,148.00	\$ 5,148.00
4	REMOVE (WET SANDBLASTING OR GRINDING) EXISTING THERMOPLASTIC PAVEMENT MARKINGS	LS	1	\$ 4,658.00	\$ 4,658.00
5	INSTALL ALL PAVEMENT MARKINGS, REFLECTIVE PAVEMENT MARKERS AND LEGENDS, INCLUDING "TORRANCE EMPLOYEE PARKING" STENCIL. MATERIAL SHALL BE PAINT, NOT THERMOPLASTIC. LAYOUT PLAN TO BE PROVIDED BY CITY.	LS	1	\$ 2,640.00	\$ 2,640.00
6	INSTALL NEW CONCRETE WHEEL STOPS	EA	25	\$ 44.00	\$ 1,100.00
7	TRAFFIC CONTROL	LS	1	\$ 1,070.00	\$ 1,070.00
8	CONSTRUCT ACCESS RAMP, CASE A TYPE 1, PER SPPWC STANDARD PLAN 111-3	EA	2	\$ 3,850.00	\$ 7,700.00
9	TYPE II SLURRY SEAL WITH 2.5% LATEX ADDITIVE	SF	65,000	\$ 0.256	\$ 16,640.00
10	LOCALIZED PAVEMENT REPAIR AT (1) DRIVEWAY - "DIGOUTS" (INCLUDES SAWCUT & REMOVE EXISTING AC TO DEPTH OF 3". COMPACT UNDERLYING SUBGRADE TO 90%. TACK COAT ALL EDGES AND CONSTRUCT 3" THICK SECTION OF ASPHALT CONCRETE (TYPE C2-PG64-10)	SF	1,000	\$ 7.70	\$ 7,700.00
SUBTOTAL (SCHEDULE E) =					\$ 53,656.00

CONDITIONS:

PAVEMENT COATINGS CO.

- (1) All work will be limited to Fridays that City Hall is closed and to Saturdays.
- (2) Inclusion of Item No. 8, construction of access ramps, is subject to project schedule and the availability of funds.



The Road to Smart Solutions

Proposal and Contract
PAVEMENT COATINGS CO.

An Employee Owned Company

CA License# 303609 -- Type A and Type C32

10240 San Sevaine Way, Mira Loma, CA 91752

Phone: (714) 826-3011 FAX: (714) 826-3129

From: Van Duncan

Email: van@pavementcoatings.com

To: Davina Buenavista
 Tomovich & Associates
 20500 Madrona Ave
 Torrance, CA 90503

Quote No: 1034620
 Fax No: 310-781-6902
 Phone: 310-781-6900
 Bid Date: 6/24/2010

We propose to furnish you with labor and material per your representation of job requirements as follows:
FY2009-10 Residential Slurry Seal, I-100

I

Item No.	Description	Quantity	U/M	UnitPrice	Total Price
Schedule 1					
CO1	Change Thermo Totwo Coat Paint	1	LS	-5,200.000	-5,200.00
Total Proposal Price:					(\$5,200.00)

General Conditions

0

- 1 Price is a deduction for changing the Thermoplastic to Two Coats of Paint
- 2 Paint to be applied in two coats on the same day

Date:

Accepted by:

Page 1 of 1

From: Van Duncan

TERMS & INSURANCE

Terms: Net 30 days. Insurance included in proposal: \$ 1,000,000 per occurrence / \$ 2,000,000 aggregate; \$ 2,000,000 products and operations aggregate; \$ 1,000,000 personal & advertisement injury; \$ 50,000 fire damage (any one fire)

PUBLIC WORKS AGREEMENT

This PUBLIC WORKS AGREEMENT ("Agreement") is made and entered into as of JULY 20, 2010 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Pavement Coatings Co., a California corporation ("CONTRACTOR").

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to construct street slurry seal projects; and;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the construction of the FY2009-10 RESIDENTIAL SLURRY SEAL, I-100, Notice Inviting Bids No. B2010-11 (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 12 months 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 \$466,951.00 ("Agreement Sum"), unless otherwise first approved in writing by the CITY.

B. Schedule of Payment.

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

C2010-154

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:

Doug Ford, President
Rick Gove, Secretary

9. **INDEPENDENT CONTRACTOR**

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

10. **BUSINESS LICENSE**

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

11. **OTHER LICENSES AND PERMITS**

CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform the CITY of that fact and

may not proceed except at CONTRACTOR's risk until written instructions are received from the CITY.

13. CARE OF WORK

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

14. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

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

15. INDEMNIFICATION

CONTRACTOR will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONTRACTOR will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONTRACTOR will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES

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

17. INSURANCE

- A. CONTRACTOR must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:
1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - b. Primary Property Damage of at least \$250,000 per occurrence; or
 - c. Combined single limits of \$1,000,000 per occurrence.
 2. General Liability including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
 3. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONTRACTOR will be primary and non-contributory.
- C. The CITY of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.
- D. CONTRACTOR must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to the CITY.
- F. CONTRACTOR must include all subcontractors as insureds under its policies or must furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements of this Paragraph 17.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies and/or the performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
 - 1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
 - 2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
 - 3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.
6. Addresses for purpose of giving notice are as follows:

CONTRACTOR: Doug Ford, President
 Pavement Coatings Co.
 10240 San Sevaine Way
 Mira Loma, CA 91752
 Fax: (714) 826 3129

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

Pavement Coatings Co.
a California corporation



Frank Scotto, Mayor

By: 

Doug Ford, President

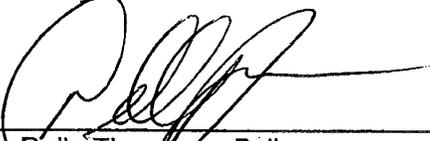
ATTEST:



Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: 

Della Thompson-Bell
Deputy City Attorney

Attachment: Exhibit A: Bid

EXHIBIT A

Bid

BIDDER'S PROPOSALCompany: Pavement Coatings Co.Total Bid: \$ \$474,696.00**FY2009-10 RESIDENTIAL SLURRY SEAL
B2010-11**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 Specifications, Standard Drawings, and the Contract Documents, for the unit price or lump sum set forth in the following schedule:

SCHEDULE A – AREAS 1 THROUGH 5

Item No.	Description	Quantity	Units	Unit Price (\$)	Total Bid (\$)
1	MOBILIZATION AND DEMOBILIZATION INCLUDING CONSTRUCTION SCHEDULES	1	LS	\$6,500.00	\$6,500.00
2	TYPE II SLURRY SEAL	3,248,000	SF	\$0.127	\$412,496.00
3	REMOVE EXISTING THERMOPLASTIC PAVEMENT MARKINGS. RE-INSTALL ALL PAVEMENT MARKINGS, REFLECTIVE PAVEMENT MARKERS AND LEGENDS	1	LS	\$3,750.00	\$3,750.00
4	TRAFFIC CONTROL	1	LS	\$18,950.00	\$18,950.00

SCHEDULE A Total Bid: \$474,696.00 (⁴441,696)
(Figures*)

SCHEDULE A Total Bid:

Four Hundred Seventy Four Thousand Six Hundred Ninety Six and zero
(Words*) Cents

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

If City funds are available, the City wishes to apply slurry seal to the access roads and parking lot of the Walteria Reservoir. The Walteria Reservoir is located on the east side of Crenshaw Blvd between Crest Rd and Rolling Hills Rd. As such, the items below may be included in the contract awarded for this project. If Schedule "B" is to be added to the contract, the lowest, responsible bidder would then be based on the combined total amounts shown for Bid Schedule "A" and Bid Schedule "B".

B2010-11

SCHEDULE B - WALTERIA RESERVOIR

Item No.	Description	Quantity	Units	Unit Price (\$)	Total Bid (\$)
1	Mobilization and Demobilization	1	LS	\$500.00	\$500.00
2	TYPE II SLURRY SEAL AT WALTERIA RESERVOIR	58,000	SF	\$0.14	\$8,120.00
3	RE-INSTALL ALL PAVEMENT MARKINGS, PARKING STALL STRIPING, REFLECTIVE PAVEMENT MARKERS AND LEGENDS	1	LS	\$1,375.00	\$1,375.00
4	TRAFFIC CONTROL	1	LS	\$500.00	\$500.00

SCHEDULE B Total Bid: \$10,495.00
(Figures*)

SCHEDULE B Total Bid:

Ten Thousand Four Hundred Ninety Five, and zero cents
(Words*)

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

1. Refer to Specifications Section C – BID DOCUMENTS AND TO PAGE C-3:

Add the following:

If City funds are available, the City wishes to apply slurry seal to a portion of the parking lot at the City Yard Facility located at 20500 Madrona Ave, Torrance, CA. As such, the items below may be included in the contract awarded for this project as Bid Schedule "C". If Schedule "C" is to be added to the contract, the lowest, responsible bidder would then be based on the combined total amounts shown for Bid Schedule "A" and Bid Schedule "C" and any other Bid Schedule(s) added to this contract.

The slurry seal application is restricted to a Friday between the hours of 8:30 a.m. and 3:00 p.m. and it is anticipated that the entire quantity of slurry seal can be applied in one day. Sufficient traffic control must be provided to protect the work area from vehicle and pedestrian traffic during the work and while the slurry seal is drying.

SCHEDULE C – CITY YARD PARKING LOT

Item No.	Description	Quantity	Units	Unit Price (\$)	Total Bid (\$)
1	MOBILIZATION, TRAFFIC CONTROL & DEMOBILIZATION	1	LS	\$500.00	\$500.00
2	TYPE II SLURRY SEAL WITH 2.5% LATEX ADDITIVE AT CITY YARD FACILITY	52,000	SF	\$0.14	\$7,280.00
3	REMOVE EXISTING THERMOPLASTIC PAVEMENT MARKINGS. RE-INSTALL ALL PAVEMENT MARKINGS, PARKING STALL STRIPING, REFLECTIVE PAVEMENT MARKERS AND LEGENDS.	1	ALLOW	\$15,000.00	\$15,000.00

SCHEDULE C Total Bid: \$22,780.00
(Figures*)

SCHEDULE C Total Bid: Twenty Two Thousand Seven Hundred Eighty and zero cents
(Words*)

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

Add the following:

If City funds are available, the City wishes to apply slurry seal to a portion of the parking lot at the Torrance Police Department Facility located at 3300 Civic Center Dr, Torrance, CA. As such, the items below may be included in the contract awarded for this project as Bid Schedule "D". If Schedule "D" is to be added to the contract, the lowest, responsible bidder would then be based on the combined total amounts shown for Bid Schedule "A" and Bid Schedule "D" and any other Bid Schedule(s) added to this contract.

The slurry seal application is anticipated to be applied in one day. Sufficient traffic control must be provided to protect the work area from vehicle and pedestrian traffic during the work and while the slurry seal is drying.

SCHEDULE D – TORRANCE POLICE DEPARTMENT PARKING LOT

Item No.	Description	Quantity	Units	Unit Price (\$)	Total Bid (\$)
1	MOBILIZATION, TRAFFIC CONTROL & DEMOBILIZATION	1	LS	\$300.00	\$300.00
2	TYPE II SLURRY SEAL WITH 2.5% LATEX ADDITIVE AT TORRANCE POLICE DEPARTMENT	12,000	SF	\$0.14	\$1,680.00
3	RE-INSTALL ALL PAVEMENT MARKINGS, PARKING STALL STRIPING, REFLECTIVE PAVEMENT MARKERS AND LEGENDS.	1	ALLOW	\$5,000.00	\$5,000.00

SCHEDULE D Total Bid: \$6,980.00
(Figures*)

SCHEDULE D Total Bid: Six Thousand Nine Hundred Eighty and zero cents
(Words*)

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

By Order of the Acting City Engineer

/s/ Elizabeth Overstreet

ELIZABETH OVERSTREET

B2010-11

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 Specifications, and Contract Documents, and has investigated the site of the work and is familiar with the conditions thereon.

Pavement Coatings Co.

Contractor

Date: 06-24-10

By: *Van P. Duncan* **VAN P. DUNCAN**
Asst. Secretary

Contractor's State License No.: 303609

Class: A ; C-32

Address: 10240 San Sevaine Way

Mira Loma, CA 91752

Phone: 714/826-3011

FAX: 714/826-3129

B2010-11

ACKNOWLEDGMENT OF ADDENDA RECEIVED

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

Addendum No. 1 VM ~~NA~~ ^X yes

Addendum No. 2 _____

Addendum No. 3 _____

Addendum No. 4 _____

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.

CITY OF TORRANCE, CALIFORNIA

**ADDENDUM NO. 1
Issued: June 17, 2010**

TO

**PLANS, PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT FOR THE
FY2009-10 RESIDENTIAL SLURRY SEAL, I-100
B2010-11**

Note the following changes and/or additions to the Specifications for the project indicated above. The bidder shall execute the Certification at the end of this Addendum, shall complete all required information on the pages of this Addendum and shall **attach all pages of this addendum to the Contract Documents submitted with the Bid**. In addition, the bidder shall complete and submit the "Acknowledgment of Addenda Received" Form provided in Section C of the Specifications.

CONTRACTOR'S AFFIDAVIT**B2010-11**

STATE OF CALIFORNIA }
 COUNTY OF Riverside }

Van P. Duncan, being first duly sworn,
 deposes and says:

1. That ~~he~~she is the

Assistant Secretary

Title

of Pavement Coatings Co.
(Name of Partnership, Corporation, or Sole Proprietorship)

hereinafter called "Contractor," who has submitted to the City of Torrance a proposal for the **FY2009-10 Residential Slurry Seal, B2010-11.**

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;

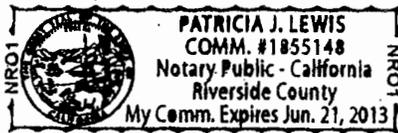
- 7. That the Contractor did not, directly or indirectly, submit the Contractor's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent 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 24th day of June, 2010.

Subscribed and Sworn to
before me this 24 day
of June, 2010.

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

Van P. Duncan
(Contractor) **VAN P. DUNCAN**
(Title) **Asst. Secretary**



B2010-11
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 Sections 2-3 of the Standard Specifications.

Name Under Which Subcontractor is Licensed: R+R Striping, VPD
Markings, markers - VPD

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: SCI Pavement Services

License Number: 923649

Address of Office, Mill or Shop: 1450 Fitzgerald Ave, Rialto, CA

Specific Description of Sub-Contract: R+R STRIPING, MARKINGS + MARKERS

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

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

REFERENCES FOR B2010-11

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

1. Name (Firm/Agency): City of Newport Beach
 Address: 3300 Newport Blvd., Newport Beach, CA 92663
 Contact Person: Frank Martin
 Telephone No.: 949/644-3332
 Title of Project: 2008-09 Citywide Slurry Seal (4086)
 Project Location: Various City Streets, Newport Beach
 Date of Completion: 06-10-09
 Contract Amount: \$399,657.

2. Name (Firm/Agency): City of Orange
 Address: 300 East Chapman Avenue, Orange, CA 92866
 Contact Person: Alan Troung
 Telephone No.: 714/744-5544
 Title of Project: 2007-08 Slurry Seal Various Locations (SP3638)
 Project Location: Various City Streets, City of Orange
 Date of Completion: 08-19-08
 Contract Amount: \$509,932.

3. Name (Firm/Agency): City of Duarte
 Address: 1600 Huntington Drive, Duarte, CA 91010
 Contact Person: Steve Esbenshade
 Telephone No.: 626/357-7931
 Title of Project: Slurry Seal & Cape Seal Phase II
 Project Location: Various City Streets, City of Duarte
 Date of Completion: 05-28-08
 Contract Amount: \$364,515.

4. Name (Firm/Agency): City of Aliso Viejo
 Address: 12 Journey, Ste. 100., Aliso Viejo, CA 92656
 Contact Person: Angel Fuertes
 Telephone No.: 949/425-2533
 Title of Project: 2007-08 Slurry Seal Project
 Project Location: Various City Streets, City of Aliso Viejo
 Date of Completion: 06-19-08
 Contract Amount: \$526,778.

REFERENCES FOR B2010-11

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

Work Description & Contract Amount	Agency	Date Completed
SEE ATTACHED		

Contractor's License No.: 303609 Class: A ; C-32

a. Date first obtained: 03-03-1975 Expiration 09-30-10

b. Has License ever been suspended or revoked? No

If yes, describe when and why: _____

c. Any current claims against License or Bond? No

If yes, describe claims: _____

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

<u>NAME</u>	<u>TITLE</u>	<u>LICENSE NO.</u> <u>(If Applicable)</u>
<u>Doug Ford</u>	<u>President</u>	<u>303609</u>
<u>Richard Gove</u>	<u>Secretary</u>	
<u>Van P. Duncan</u>	<u>Assistant Secretary</u>	

PAVEMENT COATINGS CO.

10240 San Sevaine Way, Mira Lima, CA 91752
 714-826-3011, (Fax) 714-826-3129
 Contractor's License Number 303609

REFERENCES:

City of Aliso Viejo 100 Journey Ste.100 Aliso Viejo, CA 92656	Angel Fuertes 949/425-2533 \$490971	2008
City of Commerce 2535 Commerce Way Commerce, CA 90040	Danilo R. Datsom 323/722-4805 \$109,450	2007
City of Glendale 633 East Broadway Glendale, CA 91206	Saumil Mody 818/548-3945 \$448,021	2006
City of Fullerton 303 W. Commonwealth Ave Fullerton, CA 92832	Karen Kobayashi 714/738-6845 \$255,799	2007
City of Newport Beach 3300 Newport Blvd Newport Beach, CA 92663	Frank Martin 949/644-3332 \$471,946	2006
City of Orange 300 East Chapman Avenue Orange, CA 92866	Alan Troung 714/744-5544 \$151,251.00	2007
City of Pasadena 100 N. Garfield Ave, Ste S228 Pasadena, CA 91101	Elvin Jiang 626/744-6912 \$389,983	2008
City of Rancho Palos Verdes 30940 Hawthorne Blvd Rancho Palos Verdes, CA 90275	Bindu Vaish 310/542-5252 \$114,495.20	2007
City of Seal Beach 211 8 th Street Seal Beach, CA 90740	Alvin Papa 562/431-2527 \$142,772.40	2007
Town of Yucca Valley 57090 Twentynine Palms Hwy Town of Yucca Valley	Duane Gasaway 760/369-7207 \$223,645.00	2007

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 (circle one)

Federal / State / Local (circle one)

If "yes," identify and describe, (including agency and status): _____

Have the penalties been paid? YES/NO (circle one)

- 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 (circle one)

Code/Laws: _____

Section/Article: _____

If "yes," identify and describe, (including agency and status): _____

DISQUALIFICATION OR DEBARMENT

Has your firm, any officer of your firm, or any employee who has a proprietary interest in your firm ever been disqualified, removed, or otherwise prevented from bidding on, performing work on, or completing a federal, state or local project because of a violation of law or a safety regulation?

YES/NO (circle one) (circle one)

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 (circle one)