Agenda Item No.: 8 Date: March 23, 2011

TO:

Honorable Mayor and Members of the City Council

FROM:

Lori Vereker, Director of Utilities

SUBJECT: Bid Award: Montview Drive Waterline between Darby Street and Alexander Drive

RECOMMENDATION:

It is requested that Council adopt Resolution 2011-39 authorizing the Mayor and City Clerk to execute a Public Improvement Agreement with Julian Backhoe Service, in the amount of \$94,998.00 for the Montview Drive Waterline between Darby Street and Alexander Drive.

FISCAL ANALYSIS:

Competitive bids were opened by the City Clerk's representative on February 24, 2011, with the following results:

4)	Iulian Daakhaa Cantiaa Iulian	¢ 04 000 00
1)	Julian Backhoe Service, Julian	\$ 94,998.00
2)	Dick Miller Inc., San Marcos	\$111,111.00
3)	Try Kirtly General Engineering	\$116,980.00
4)	VCI Telecom Inc., Upland	\$119,900.00
5)	Southland Paving, Inc., Escondido	\$126,500.00
6)	Ramona Paving, Ramona	\$126,550.00
7)	TED Enterprises, Inc., San Clemente	\$128,236.00
8)	Underground Pipeline Solutions, Alpine	\$129,859.00
9)	Transtar Pipeline, Inc., San Diego	\$135,600.00
10)	RMV Construction	\$135,947.00
11)	Shaw Equipment Rentals, San Marcos	\$136,520.00
12)	HTA Engineering & Construction, Poway	\$138,890.00
13)	Burtech Pipeline, Inc., Encinitas	\$144,700.00
14)	CCL Contracting, Inc., Escondido	\$155,000.00
15)	Scorpion Backhoe, Inc.	\$164,500.00
16)	Don Hubbard Contracting Co., San Marcos	\$173,700.00
17)	Thomas Pipeline, Springville Utah	\$225,143.00

This project is funded out of CIP line item 704003, water pipeline replacement bond money.

March 23, 2011

BID AWARD: Montview WL

Page 2

BACKGROUND:

This Project closes a gap in the existing water distribution system. This Project and a follow-up replumbing contract will provide a new waterline and water services that will replace the existing water services that are currently located in private easements. The new pipeline will provide improved water main circulation and fire flow in the area.

Respectfully submitted,

Lori Vereker

Director of Utilities

Neil Greenwood

Utilities Construction Manager

RESOLUTION NO. 2011-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE, ON BEHALF OF THE Α **PUBLIC IMPROVEMENT** AGREEMENT WITH JULIAN BACKHOE SERVICE, FOR THE CONSTRUCTION OF MONTVIEW DRIVE WATERLINE BETWEEN DARBY STREET AND ALEXANDER DRIVE

WHEREAS, the Escondido City Council authorized an invitation for bids for the construction of the Montview Drive Waterline between Darby Street and Alexander Drive (the "Project"); and

WHEREAS, the City of Escondido opened sealed bids for the Project on February 24, 2011; and

WHEREAS, the Director of Utilities has determined Julian Backhoe Service to be the lowest responsive and responsible bidder and recommends awarding the bid in the amount of \$94,998.00 to Julian Backhoe Service; and

WHEREAS, this City Council desires at this time and deems it to be in the best public interest to award this contract to Julian Backhoe Service.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

- 1. That the above recitations are true.
- 2. That the Mayor and City Council accepts the recommendation of the Director of Utilities and finds Julian Backhoe Service to be the lowest responsive and responsible bidder.
 - 3. That the Mayor and City Clerk are authorized to execute, on behalf of the

City, a Public Improvement Agreement ("Agreement") with Julian Backhoe Service for the Project. A copy of the Agreement is attached as Exhibit "A" and is incorporated by this reference.

PUBLIC IMPROVEMENT AGREEMENT

This "Agreement", dated the	day of	, 20, in the County of SAN
DIEGO, State of California, is by	and between THE	CITY OF ESCONDIDO (hereinafter referred to as
"CITY"), and Julian Backhoe Se	ervice (hereinafter r	eferred to as "CONTRACTOR").

The CITY and the CONTRACTOR, for the consideration stated herein, agree as follows:

- 1. The complete contract includes all of the Project Documents described in the General Conditions, which are incorporated by reference. The Project Documents are complementary, and what is called for by any one shall be as binding as if called for by all.
- 2. CONTRACTOR shall perform, within the time set forth in Paragraph 4 of this Agreement, everything required and reasonably inferred to be performed, and shall provide and furnish all the labor, materials, necessary tools, expendable equipment, and all utility and transportation services as described in the complete contract and required for construction of

MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER

All of said work to be performed and materials to be furnished shall be completed in a good workmanlike manner, free from defects, in strict accordance with the plans, drawings, specifications and all provisions of the complete contract as hereinabove defined. The CONTRACTOR shall be liable to the CITY for any damages and resulting costs, including consultants' costs, arising as a result of a failure to fully comply with this obligation, and the CONTRACTOR shall not be excused with respect to any failure to so comply by any act or omission of the Architect, Engineer, Inspector, or representative of any of them, unless such act or omission actually prevents the CONTRACTOR from fully complying with the requirements of the Project Documents, and unless the CONTRACTOR protests at the time of such alleged prevention that the act or omission is preventing the CONTRACTOR from fully complying with the Project documents. Such protest shall not be effective unless reduced to writing and filed with the CITY within three (3) working days of the date of occurrence of the act or omission preventing the CONTRACTOR from fully complying with the Project documents.

- 3. CITY shall pay to the CONTRACTOR, as full consideration for the faithful performance of the contract, subject to any additions or deductions as provided in the Project documents, the sum of Ninety Four Thousand Nine Hundred and Ninety Eight Dollars (\$94,998).
- 4. The work shall be commenced on or before the twenty-first (21st) day after receiving the CITY'S Notice to Proceed and shall be completed within sixty (60) calendar days from the date specified in the Notice to Proceed.
- 5. Time is of the essence. If the work is not completed in accordance with Paragraph 4 above, it is understood that the CITY will suffer damage. It being impractical and infeasible to determine the amount of actual damage(s), in accordance with Government Code Section 53069.85, it is agreed that CONTRACTOR shall pay to CITY as fixed and liquidated damages, and not as a penalty, the sum(s) indicated in the LIQUIDATED DAMAGES SCHEDULE below for each calendar day of

January 2011 City of Escondido MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER delay until work is completed and accepted. This amount shall be deducted from any payments due to or to become due to CONTRACTOR. CONTRACTOR and CONTRACTOR'S surety shall be liable for the amount thereof. Time extensions may be granted by the CITY as provided in the General Conditions.

Liquidated damages schedule:

If the overall project is delayed **one** (1) calendar day or more, the rate shall be \$166/day.

Acknowledged:	
O	Initials of Principal

- In the event CONTRACTOR, for a period of ten (10) calendar days after receipt of written 6. demand from CITY to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, or to prosecute said work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said ten (10) calendar days, fails to continue to do so, then the CITY may exclude the CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor, or demanding the surety hire another contractor, or by any combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against the CONTRACTOR, and may be deducted from any money due or to become due to CONTRACTOR from the CITY, or the CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY. The permissible charges for any such procurement of the completion of said work should include actual costs and fees incurred to third party individuals and entities (including, but not limited to consultants, attorneys, inspectors, and designers) and actual costs incurred by CITY for the increased dedication of time of CITY employees to the Project.
- 7. To the fullest extent permitted by law, the CONTRACTOR agrees to and does hereby agree to fully defend, indemnify and hold the CITY, its governing board, officers, agents, Project design team members (architect and consulting engineers), consultants, attorneys, and employees harmless of and from each and every claim, assertion, action, cause of action, arbitration, suit, proceedings, or demand made, and every liability, loss, judgment, award, damage, or expense, of any nature whatsoever (including attorneys' fees, consultant costs), which may be incurred by reason of:
 - (a) Asserted and/or actual liability arises from claims for and/or damages resulting from damages for:
 - (1) Death or bodily injury to persons.
 - (2) Injury to, loss or theft of tangible and/or intangible property/ e.g. economic loss.
 - (3) Any other loss, damage or expense arising under either (1) or (2) above, sustained by the CONTRACTOR upon or in connection with the work called for in this Project, except for liability resulting from the sole active negligence, or willful misconduct of the CITY.

- (b) Any injury to or death of any person(s) or damage, loss or theft of any property caused by any act, neglect, default or omission of the CONTRACTOR, or any person, firm, or corporation employed by the CONTRACTOR, either directly or by independent contract, arising out of, or in any way connected with the work covered by this Agreement, whether said injury or damage occurs on or off City property.
- (c) Any and all liabilities, claims, actions, causes of action, proceedings, suits, administrative proceedings, damages, fines, penalties, judgments, orders, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements, arising out of any violation, or claim of violation of the San Diego Municipal Storm Water Permit (Order No. 2001-01), and updates or renewals, of the California Regional Water Quality Control Board Region 9, San Diego, which the CITY might suffer, incur, or become subject by reason of or occurring as a result of or allegedly caused by the construction, reconstruction, maintenance, and/or repair of the work under this Agreement.

The CONTRACTOR, at CONTRACTOR's own expense, cost, and risk shall defend any and all actions, suit, or other proceedings that may be brought or instituted against the CITY, its governing board, officers, agents or employees, on any such claim, demand or liability, and shall pay or satisfy any judgment that may be rendered against the CITY, its governing board, officers, agents or employees in any action, suit or other proceedings as a result thereof.

- 8. CONTRACTOR shall take out, prior to commencing the work, and maintain, during the life of this contract, and shall require all subcontractors, if any, of every tier, to take out and maintain:
 - (a) General Liability and Property Damage Insurance as defined in the General Conditions in the amount with a combined single limit of not less that \$3,000,000 per occurrence.
 - (b) Course of Construction / Builder's Risk Insurance. See Article 5.2 of General Conditions.
 - (c) Insurance Covering Special Hazards: The following special hazards shall be covered by rider or riders to the above-mentioned public liability insurance or property damage insurance policy or policies of insurance, or by special policies of insurance in amounts as follows:
 - (1) Automotive and truck where operated in amounts as above
 - (2) Material hoist where used in amounts as above
 - (d) Workers' Compensation Insurance.
 - (e) Each insurance policy required above must be acceptable to the City Attorney, as follows:
 - (1) Each policy must name the CITY specifically as an additional insured under the policy on a separate endorsement page, with the exception of the workers' compensation and the Errors and Omissions policies.
 - (2) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A-rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

- (3) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
- (f) In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within 14 days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.
- 9. This Agreement is subject to California Public Contract Code Section 22300, which permits the substitution of securities for any monies withheld by the City under this Agreement, and permits the CONTRACTOR to have all payments of earned retentions by the City paid to an escrow agent at the expense of the CONTRACTOR.
- 10. Each and every provision of law and clause required by law to be inserted in this Agreement or its attachments shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction, without further changes to the remainder of the Agreement.
- 11. The complete contract as set forth in Paragraph 1 of this Agreement constitutes the entire Agreement of the parties. No other agreements, oral or written, pertaining to the work to be performed, exists between the parties. This Agreement can be modified only by an amendment in writing, signed by both parties and pursuant to action of the Escondido City Council.
- 12. CONTRACTOR shall comply with those provisions of the Labor Code requiring payment of prevailing wages, keeping of certified payroll records, overtime pay, employment of apprentices, and workers' compensation coverage, as further set forth in the General Conditions, and shall file the required workers' compensation certificate before commencing work.
- 13. The terms "Project Documents" and/or "Contract Documents" where used, shall refer to those documents included in the definition set forth in the General Conditions made a part hereof.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of CITY by its officers thereunto authorized and by CONTRACTOR, the date and year first above written.

CITY OF ESCONDIDO a municipal corporation

201 North Broadway Escondido, CA 92025 Marsha Whalen, City Clerk Sam Abed, Mayor APPROVED AS TO FORM: OFFICE OF THE CITY ATTORNEY JEFFREY R. EPP, City Attorney By: _____ **CONTRACTOR** By: _ By: Signature Signature* Print Name Print Name Title Title (Second signature required only for corporation) By: Signature** Print Name Title (CORPORATE SEAL OF CONTRACTOR, if

*If CONTRACTOR is a corporation, the first signature must be by one of the following officers of the corporation: Chairman of the Board, President, or any Vice President.

Contractor's License No.

Tax ID/Social Security No.

**If CONTRACTOR is a corporation, the second signature must be by a different person from the first signature and must be by one of the following officers of the corporation: Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer.

January 2011 City of Escondido MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER

corporation)

SECTION A-00610 - FAITHFUL PERFORMANCE BOND

KNOV	W ALL MEN BY THESE PRESENT,
That _	("Contractor") and
	("Surety") are held and firmly bound unto the CITY OF
ESCO	NDIDO ("Owner") in the sum of
	Dollars, for the payment of which sum well and truly to be made, nd ourselves, our heirs, executors, administrators, successors, and assigns, jointly and lly, firmly by these presents.
	REAS, Contractor has been awarded and is about to enter into a contract with Owner to m all work required under the Bid Schedule(s) of the Owner's specifications entitled,
	MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER
	REAS, the provisions of the Contract are incorporated by reference into this Faithful mance Bond and shall be part of Surety's obligation hereunder.
be per	THEREFORE, if Contractor shall perform all the requirements of said contract required to formed on his part, at the times and in the manner specified herein, then this obligation be null and void, otherwise, it shall remain in full force and effect.
PROV	IDED, that
(1)	Any alterations in the work to be done or the materials to be furnished, which may be made pursuant to the terms of the Contract, shall not in any way release Contractor or Surety thereunder;
(2)	Any extensions of time granted under the provisions of Contract shall not release either Contractor or Surety from their respective obligations to Owner;
(3)	Notice of any such alterations or extensions of the Contract is hereby waived by Surety;
(4)	Any payments (including progress payments) made on behalf of Owner to Contractor after the scheduled completion of the work to be performed pursuant to the Contract shall not release either Contractor or Surety from any obligations under the Contract or this Faithful Performance Bond, or both, including any obligation to pay liquidated damages to Owner; and

To the extent Owner exercises its rights pursuant to this Bond, Owner shall be entitled to demand performance by the surety and be further entitled to recover, in addition to all other remedies afforded by law, its reasonably incurred costs to complete the work,

January 2011 City of Escondido MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER

(5)

attorneys fees and consultant costs, as well as actual costs incurred by OWNER for the increased dedication/commitment of time of OWNER employees to the Project.

SIGNED AND SEALED, this day of_	
Contractor	Surety
	Address
	Phone No.
(SEAL)	
BY	
Signature	Signature
(SEAL AND NOTARIAL ACK)	NOWLEDGEMENT OF SURETY)
APPROVED AS TO FORM:	
OFFICE OF THE CITY ATTORNEY JEFFREY R. EPP, City Attorney	
Ву:	

SECTION A-00620 - LABOR AND MATERIAL BOND

KNOV	V ALL	MEN	BY T	HESE	E PRESENT,
That _	***************************************			· · · · · · · · · · · · · · · · · · ·	as Contractor, and
bound	unto	the	CITY	OF	as Surety, are held and firmly ESCONDIDO, hereinafter called Owner, in the sum of dollars, for the payment of which sum well and
truly to jointly	be ma and se	ade, v verall	ve bind y, firm	ourse ly by	elves our heirs, executors, administrators, successors, and assigns, these presents.
WHER with sa cations	id Ow	ner to	Contrac perfor	tor ham all	as been awarded and is about to enter into the annexed contract work required under the Bid Schedule(s) of the Owner's specifi-

MONTVIEW WATERLINE BETWEEN DARBY & ALEXANDER

NOW THEREFORE, if said Contractor, or subcontractor, fails to pay for any materials, equipment, or other supplies, or for rental of same, used in connection with the performance of work contracted to be done, or for amounts due under applicable State law for any work or labor thereon, or for amounts due under the Unemployment Insurance Code, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Contractor and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such labor, said Surety will pay for the same in an amount not exceeding the sum specified above, and, in the event suit is brought upon this bond, a reasonable attorney's fee to be fixed by the court. This bond shall inure to the benefit of any persons, companies or corporations entitled to file claims under applicable State law.

PROVIDED, that any alterations in the work to be done or the materials to be furnished, which may be made pursuant to the terms of said contract, shall not in any way release either said Contractor or said Surety thereunder, nor shall any extensions of the time granted under the provisions of said contract release either said Contractor or said surety, and notice of such alterations or extensions of the contract is hereby waived by said Surety.

SIGNED AND SEALED, this	day of	, 20
Contractor		Surety
		Address
		Phone No.
(SEAL)		
BYSignature		Signature
(SEAL AND NOTAI	RIAL ACKNOWL	EDGEMENT OF SURETY)
APPROVED AS TO FORM:		
OFFICE OF THE CITY ATTORNEY JEFFREY R. EPP, City Attorney		
Зу:		

SECTION A-00630 - CITY OF ESCONDIDO BUSINESS LICENSE

In accordance with Municipal Code Section 16, the successful bidder is required to obtain a City of Escondido Business License prior to execution of contract.

The fo	ollowing information must be submitted to the City Clerk prior to execution of contract
	City of Escondido Business License No.
	Expiration Date
	Name of Licensee

SECTION A-00660 - WORKERS' COMPENSATION INSURANCE CERTIFICATE

If self-insured for Workers' Compensation, the Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, Sections 1860 and 1861, and I will comply with such provisions before commencing the performance of the work of the contract.

Dated:		
	Contractor	
	D.,,	
	By:Signa	ture