

# REPORT

**To the Honorable Mayor and City Council  
and the Redevelopment Agency Board from  
the City Manager and Executive Director**

August 23, 2004

## **Subject**

Award of Contract – Street Improvement Plans – Alley From Belle Avenue to Haven Avenue (Between Rolison Road & Hoover Street).

## **Recommendation**

That the City Council approve the Contract Documents and award the Street Improvement Project for the Alley from Belle Avenue to Haven Avenue (between Rolison Road & Hoover Street) Project to O'Grady Paving, Inc. of Mountain View, California, for their low bid of \$220,217.00.

## **Background**

This project is to reconstruct a 900 foot-long alley adjacent to the 36-unit, affordable housing project by Peninsula Habitat for Humanity, Inc., located on 3426-3486 Rolison Road.

On April 14, 2000, the City of Redwood City (City) and the City's Redevelopment Agency (Agency) entered into a "Transfer Agreement" with Peninsula Habitat for Humanity, Inc. (Habitat) for the construction and resale of the abovementioned affordable housing project. This Transfer Agreement specifically assigned the completion of certain offsite improvements (as part of the Friendly Acres Neighborhood Plan) following the transfer of the property from the City & Agency to Habitat. The City/Agency's obligated offsite improvements consist of reconstruction of the pavement in the alley, which is badly deteriorated. Also included will be an improved storm drainage system, new street trees, new street humps, new fences along adjoining property (to be completed as a separate project), and a new irrigation system.

Furthermore, the original Development Agreement for Habitat called for the Agency to reimburse Habitat for the cost of irrigation installed for trees planted in the City's right-of-way - presuming that the Habitat would install the irrigation. However, since the City/Agency will install (through this contract) the irrigation, the City/Agency will use funds from the Community Development Block Grant (CDBG) budgeted for this work.

The seven (7) bids received at the bid opening on August 16, 2004, are summarized below:

6.1B-2

| No. | Bidder  | Bid Amount          |
|-----|---|---------------------|
| 1.  | O'Grady Paving, Inc. – Mt. View, CA                       | \$220,217.00        |
| 2.  | Sposeto Engineering – Union City, CA                      | \$223,372.00        |
| 3.  | Interstate Grading & Paving, Inc. – So. San Francisco, CA | \$224,354.00        |
| 4.  | Duran & Venables, Inc. – Milpitas, CA                     | \$225,887.00        |
| 5.  | No Fault Asphalt Corporation – Mt. View, CA               | \$233,746.00        |
| 6.  | Esquivel Grading & Paving – San Francisco, CA             | \$275,545.00        |
| 7.  | C.F. Archibald Paving, Inc. – Redwood City, CA            | \$300,738.00        |
|     | <b>Average Bid (excluding the high &amp; low)</b>         | <b>\$236,580.80</b> |

The low bid of \$220,217.00 is 16% higher than the Engineer's Estimate of \$190,000, for the cost of construction.

**Alternative**

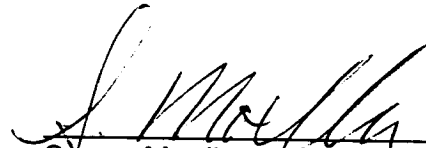
The alternative is not to do the project at all, which is contrary to the Council's priority and legal obligation to improve what was once a blighted area, and which is now a new, smart looking neighborhood development. The alley improvements would certainly finish what the Council had in mind for the area when the City and the Agency acquired the property in the early to mid 1990's.

**Fiscal Impacts**

The construction cost will be \$220,217.00 for this project. Funding for this project is being provided by a combination of the City's Capital Improvement Program (CIP) funds and Community Development Block Grant funds (CDBG). The amount appropriated in the City's CIP is \$190,000, plus \$65,000 from CDBG for installation of trees, irrigation, and fencing, which was previously approved by the City Council in FY 2000-2001. The total project budget amount will be \$255,000.



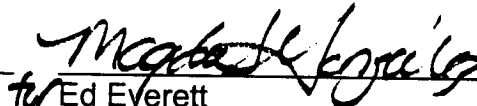
Phong Du  
Senior Civil Engineer



Susan Moeller  
Redevelopment Manager



Joel Patterson  
Community Development Services Director  
PDu/PW:ss



Ed Everett  
City Manager

S/LIBRARY/REPORTS/Phong/award\_Rolison Alley Reconstruction

**AGREEMENT  
FOR THE  
CITY OF REDWOOD CITY**

**STREET IMPROVEMENT PLANS  
ALLEY FROM BELLE AVENUE TO HAVEN AVENUE  
(between Rolison Road & Hoover Street)**

THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 2004, by and between O'Grady Paving, Inc., whose place of business is at 2513 Wyandotte Street, Mountain View, California ("Contractor") and the City of Redwood City, a charter city and municipal corporation of the State of California ("City") (collectively, the "Parties").

In consideration of the mutual covenants hereinafter set forth, Contractor and City agree as follows:

**I. WORK**

- A. Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents.

**II. CONTRACT SUM**

- A. City shall pay the Contractor as the "Contract Sum" for completion of Work in accordance with the Contract Documents, as the amount of Two Hundred Twenty Thousand Two Hundred Seventeen and No/100 dollars (\$220,217.00), computed in accordance with Contractor's Accepted Proposal dated, August 16, 2004, which Proposal is incorporated herein by reference thereto as if fully set forth.
- B. The Contract Sum is all inclusive and includes all Work; all federal, state, and local taxes on materials and equipment, and labor furnished by Contractor, its subcontractors, subconsultants, architects, engineers, and vendors or otherwise arising out of Contractor's performance of the Work, including any increases in any such taxes during the term of this Agreement; and any duties, fees, and royalties imposed with respect to any materials and equipment, labor or services. The taxes covered hereby include (but are not limited to) occupational, sales, use, excise, unemployment, FICA, and income taxes, customs, duties, and any and all other taxes on any item or service that is part of the Work, whether such taxes are normally included in the price of such item or service or are normally stated separately. Notwithstanding the foregoing, each party shall bear such state or local inventory, real property, personal property or fixtures taxes as may be properly assessed against it by applicable taxing authorities.

6.1 B-4

### III. CONTRACT TIME AND LIQUIDATED DAMAGES

- A. Contractor shall complete the Work within the following Schedule reflecting the date the Contract Time commences to run as set forth in Section 00550 (Notice to Proceed) and Section 00700 (General Conditions); and
1. Contractor shall achieve Substantial Completion of the Work within **Sixty (60) Calendar Days** from the date the Contract Time commences to run.
- B. Liquidated Damages
1. City and Contractor recognize that time is of the essence of this Agreement and that City will suffer financial loss in the form of lost revenues, contract administration expenses (including project management and consultants' expenses), delay and loss of public use, if the Work is not completed within the time specified in paragraph III.A.1 above plus any extensions thereof allowed in accordance with the Contract Documents. Consistent with Document 00700 (General Conditions), Contractor and City agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of actual damages incurred by City because of a delay in completion of the Work.
  2. Accordingly, City and Contractor agree that Contractor shall pay City **Five Hundred and No/100 Dollars (\$500)** for each Day that expires after the time specified in Paragraph III.A.1 of this Document 00520 for Contractor to achieve Substantial Completion, until such date as contractor achieves Substantial Completion.
- C. Liquidated damages for delay shall only cover and be in lieu of the actual damages suffered by City as a result of delay referenced above. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from defective work, cost of temporary replacement facilities, damages suffered by others who then seek to recover their damages from City (for example, delay claims of other contractors or subcontractors), and defense costs thereof.

### IV. CITY'S ENGINEER AND REPRESENTATIVES

Reserved

### V. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

In order to induce City to enter into this Agreement, Contractor makes the following representations and warranties:

- A. Contractor has visited the Site and has examined thoroughly and understood the nature and extent of the Work, Site, locality, actual conditions, as built conditions, and all local conditions and federal, state and local laws and regulations that in any manner may affect cost, progress, performance or furnishing of Work or which relate to any aspect of the design and the means, methods, techniques, sequences or procedures of

construction to be employed by Contractor and safety precautions and programs incident thereto.

- B.** Contractor has examined thoroughly and understood all reports of exploration and tests of subsurface conditions, drawings or reports, available for design and construction purposes, of physical conditions, or which may be apparent at the Site and accepts the determination set forth in these documents and Document 00700 (General Conditions) of the limited extent of the information contained in these documents upon which the Contractor may be entitled to rely. Contractor agrees that except for the information so identified, Contractor does not and shall not rely on any other information contained in these documents.
- C.** Contractor has considered the physical conditions at or contiguous to the Site or otherwise which may affect the cost, progress, performance or furnishing of Work, as Contractor considers necessary for the performance or furnishing of Work at the Contract Sum, within the Contract Time and in accordance with the other terms and conditions of Contract Documents, including specifically the provisions of the General Conditions.

## VI. CONTRACT DOCUMENTS

The Contract Documents which comprise the entire agreement between City and Contractor concerning the Work consist of the following:

- A.** Contract Documents consist of the following documents, including all changes, addenda and modifications thereto, as listed on Document 00010 (Table of Contents) and 00015 (List of Drawings, Tables and Schedules):

|                             |   |
|-----------------------------|---|
| Section 00430               | Subcontractors List Form                        |
| Section 00520               | Agreement                                       |
| Section 00550               | Notice to Proceed                               |
| Section 00610               | Faithful Performance Bond                       |
| Section 00620               | Construction Labor and Material<br>Payment Bond |
| Section 00680               | Escrow Agreement                                |
| Section 00700               | General Conditions                              |
| Section 00800               | Special Conditions                              |
| Technical<br>Specifications | Listed in the Table of Contents.                |
| Drawings                    | Listed in the Table of Contents                 |

- B.** There are no Contract Documents other than those listed above in this Part VI. The geotechnical, existing conditions and other information supplied under Part 6.26 of Document 00700 (General Conditions) is not part of the Contract Documents. The Contract Documents may only be amended, modified or supplemented as provided in Document 00700 (General Conditions).

**VII. MISCELLANEOUS**

- A. It is understood and agreed that in no instance is any person, signing this Agreement for or on behalf of City or acting as an employee or representative of City, liable on this Contract, or upon any warranty of authority, or otherwise, and it is further understood and agreed that liability of City is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.
- B. In entering into a public contract or a subcontract to supply goods, services or materials pursuant to a public contract, the Contractor or subcontractor irrevocably offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act, (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time City tenders final payment to the Contractor, without further acknowledgment by the parties.
- C. Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are available on the City's website ([www.redwoodcity.org](http://www.redwoodcity.org)).
- D. This Contract shall be deemed to have been entered into in the County of San Mateo, and governed in all respects by California law (excluding conflicts of laws). Any action at law or in equity brought by either of the parties will be tried in a court of competent jurisdiction in the County of San Mateo, and the parties waive all other provisions of law providing for a change of venue in these proceedings to any other county.
- E. Contractor must have a City of Redwood City Business License prior to start of work.

///

///

///

///

6.1B-7

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day first mentioned above.

"CITY"

CITY OF REDWOOD CITY, a charter city and municipal corporation of the state of California

By: \_\_\_\_\_  
Ed Everett, City Manager

Attest:

\_\_\_\_\_  
Patricia Howe, City Clerk

"CONTRACTOR"

O'GRADY PAVING, INC.  
2513 Wyandotte Street  
Mountain View, Ca 94043  
(650) 966-1926

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

\* \* \*