AGENDA
ITEM

# 14

# AGENDA STAFF REPORT

**DATE:** April 05, 2017

**TO:** Mayor and City Council

**APPROVED BY:** Armando G. Villa, City Manager

**PREPARED BY:** Nick Fenley, Public Works Manager

**SUBJECT:** Award the Bid Proposal from Cora Constructors, Inc. in the Amount of $287,000.00 and Authorize City Manager to Sign Construction Agreement with Cora Constructors, Inc. for the Wastewater Treatment Plant Hot Water Boiler System Project No. 2017-200.

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**Recommendation:**

It is recommended that the City Council approve the following:

1. Award the bid proposal from Cora Constructors, Inc. in the amount of $287,000.00 (base bid) for the Wastewater Treatment Plant Hot Water Boiler System Project No. 2017-200 plus 10% contingency ($28,700.00).

2. Authorize City Manager to Sign Construction Agreement between the City of Calexico and Cora Constructors, Inc. for the Wastewater Treatment Plant Hot Water Boiler System Project No. 2017-200.

**Background:**

On February 15, 2017, City of Calexico solicited bids for the installation of Hot Water Boiler System at the Wastewater Treatment Plant. The work shall include furnishing and installing boiler which includes a hot water boiler, sludge gas and propane gas fuel trains, water softening system, thermostatic valve, chemical pot feeder, controls, boiler trim, boiler stack and breeching as shown or specified and as necessary to provide complete and operable facilities.

**Discussion & Analysis:**

On March 09, 2017, the Office of the City Clerk received two (2) bids from the following firms:

1. Cora Constructors, Inc. $287,000.00

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2. Pacific Hydrotech Corp. $369,300.00

After carefully reviewing all bid documentation from Cora Constructors, Inc., Public Works Staff has found that they meet all required guidelines and are the lowest responsible bidder. For this reason, Public Works Staff is requesting City Council authorization to award the bid proposal and authorize the City Manager to sign construction agreement with Cora Constructors, Inc.

**Fiscal Impact:**

Budgeted Item for FY 2016-2017
Wastewater Treatment Operating Funds - $315,700.00.

**Coordinated With:**

Public Works Department.

**Attachment(s):**

1. City Clerk Bid Tabulation Sheet.
2. Cora Constructors, Inc. Bid Proposal.
3. Pacific Hydrotech Corp. Bid Proposal.
4. City of Calexico and Cora Constructors, Inc. Construction Agreement.

# CITY OF CALEXICO
# OFFICE OF THE CITY CLERK
# BID TABULATION

**Bid:** Wastewater Treatment Plant Hot Water Boiler System Project No. 2017-200
**Dept.:** Public Works
**Date:** 02/09/17
**Time:** 2:00p.m.
**Location:** Office of the City Clerk

| COMPANY | TOTAL |
|---|---|
| (*) Cora Constructors Inc. | $ 287,000.00 |
| Pacific Hydrotech Corp. | $ 369,300.00 |
| | |
| | |

Gabriela T. Garcia, Deputy City Clerk

3/9/2017
Date

## BID SCHEDULE

ITEM A: For all labor, materials, and equipment for Wastewater Treatment Plant Hot Water Boiler System, including all demolition, civil, structural, mechanical, electrical, instrumentation, base bid items and appurtenances as shown and specified the lump sum of Two Hundred eighty-seven thousand dollars Dollars $ 287,000.

TOTAL AMOUNT OF BID

Sums of Items A for the amount of Two Hundred eighty-seven thousand Dollars Dollars $ 287,000.

1.00 – The undersigned hereby acknowledges the receipt of the following addendum:

None X; No. 1_____; No. 2_____; No. 3_____; No. 4_____; No. 5_____

2.00 – The undersign hereby certifies that this proposal/bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation.

3.00 – The undersigned hereby accepts on the behalf of his firm all provisions and requirements of the contract documents, including but not limited to those related to time of completion and liquidated damages.

4.00 – The undersigned hereby certifies that they are authorized representative of the firm on whose behalf this proposal/bid is submitted and that they are acting at the direction and with the required approval of said firm, which is identified as follows:

Name of firm: Cora Constructors Inc.
Address of firm: 75140 St. Charles Pl #A, Palm Desert CA 92211
Telephone number: (760) 674-3201 Fax number: (760) 674-3202
Contractor's license number: 746304 Type: A+B
Signed: [signature] Date: 3-6-17

**END OF PROPOSAL/BID FORM**

## BID SCHEDULE

ITEM A: For all labor, materials, and equipment for Wastewater Treatment Plant Hot Water Boiler System, including all demolition, civil, structural, mechanical, electrical, instrumentation, base bid items and appurtenances as shown and specified the lump sum of THREE HUNDRED SIXTY NINE THOUSAND THREE HUNDRED DOLLARS Dollars $ 369,300 —.

TOTAL AMOUNT OF BID

JKH

Sums of Items A for the amount of ~~369,300 —~~ THREE HUNDRED SIXTY NINE THOUSAND THREE HUNDRED DOLLARS. Dollars $ 369,300.

1.00 – The undersigned hereby acknowledges the receipt of the following addendum:

None ✓; No. 1____; No. 2____; No. 3____; No. 4____; No. 5____

2.00 – The undersign hereby certifies that this proposal/bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation.

3.00 – The undersigned hereby accepts on the behalf of his firm all provisions and requirements of the contract documents, including but not limited to those related to time of completion and liquidated damages.

4.00 – The undersigned hereby certifies that they are authorized representative of the firm on whose behalf this proposal/bid is submitted and that they are acting at the direction and with the required approval of said firm, which is identified as follows:

Name of firm: PACIFIC HYDROTECH CORP.
Address of firm: 314 E 3RD ST, PERRIS, CA 92570
Telephone number: (951) 943-8803 Fax number: (951) 943-1093
Contractor's license number: 518355 Type: A
Signed: Date: 3/9/17

**END OF PROPOSAL/BID FORM**

**CONSTRUCTION AGREEMENT**
**CITY OF CALEXICO, CALIFORNIA**

THIS AGREEMENT is made this 5th day of April, 2017, by and between the City of Calexico, a Municipal Corporation of the State of California ("City") and Cora Constructors, Inc. ("Contractor"). The City and the CONTRACTOR for consideration stated herein agree as follows:

1. Description of Project

CONTRACTOR shall provide for the furnishing and installation of Wastewater Treatment Plant Hot Water Boiler System in accordance with the Invitation for Bids.

2. Description of Work

2.1 CONTRACTOR shall furnish all of the labor, tools, equipment, and services required to perform all of the work in connection with the construction of Street Improvement Project in accordance with the invitation for Bids, incorporated by reference as though fully set herein. Said construction shall be in accordance with the 2010 California Department of Transportation Standard Plans, Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished, and the General Prevailing Wage rates dated 2017. Said invitation for bids, Standard Plans, Standard Specifications, Labor Surcharge and Equipment Rental Rates, and General Prevailing Wage Rates are as fully a part of the Agreement as if hereto attached or herein repeated.

2.2 The work to be performed under this Agreement shall conform to the plans entitled "Wastewater Treatment Plant Hot Water Boiler System", incorporated herein as fully a part of this Agreement as if hereto attached or herein repeated.

3. Time for Completion

The work shall be commenced on the date stated in Notice to Proceed, and shall be completed within the allotted working days after the date stated in such Notice.

4. Compensation

4.1 City will pay the CONTRACTOR for the performance of this Agreement according to the terms and conditions contained in the Project's Invitation for Bids and Proposal or bid submittal by CONTRACTOR. CONTRACTOR will take full payment in accordance with the following item prices incorporated as part of the proposal or bid submitted by CONTRACTOR.

4.2 CONTRACTOR agrees to receive and accept said compensation as full payment for furnishing all materials and for doing all the work contemplated and embraced in this agreement; also for all loss or damage, arising out of the nature of the work aforesaid, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work

until its acceptance by CITY and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work in the manner and according to the plans and specification, and the requirements of the CITY Engineer. This provision in no way limits the CONTRACTOR's duties under other provisions herein.

5. Industry Standards

The CONTRACTOR agrees that is performance, and that of its employees or subcontractors, under this Agreement shall be performed in accordance with the standards customarily adhered to by an experienced and competent contractor using the degree of care and skill ordinarily exercised by reputable professionals practicing in the same field in the State of California. Where approval by the CITY, the CITY Manager, or other representatives of the CITY is required, it is understood to be general approval only and does not relieve the CONTRACTOR of responsibility for complying with all applicable laws, codes and quality construction and business practices.

6. Insurance

The CONTRACTOR shall not begin performing under this Agreement until it has: (a) obtained insurance certificates reflecting evidence of all insurance required herein; however, the CITY reserves the right to request, and the CONTRACTOR shall submit, copies of any policy upon reasonable request by the CITY; (b) obtained CITY approval of each company or companies as required herein; and (c) confirmed that all policies contain the specific provisions required herein. Further the CONTRACTOR shall not modify any policy or endorsement thereto which increases the CITY'S exposure to loss for the duration of this Agreement.

6.1 Types of Insurance.

At all times during the term of this Agreement, CONTRACTOR shall maintain insurance coverage as follows:

6.1.1 Commercial General Liability

For all of the CONTRACTOR's operations, including contractual, broad form property damage, completed operations, and independent CONTRACTOR's liability, the CONTRACTOR shall keep in full force and effect, during any and all work on this Project, all applicable insurance to cover personal injury, bodily injury and property damage, providing coverage to a combined single limit of $1,000,000 per occurrence, subject to an annual aggregate of $2,000,000 for general liability, completed operations and personal injury other than bodily injury. Agreementual liability shall include coverage of tort liability of another party to pay for bodily injury or property damage to a third person or organization. Agreementual liability limitation endorsement is not acceptable.

6.1.2 Commercial Automobile Liability

For all the CONTRACTOR's automobiles including owned, hired and non-owned automobiles, the CONTRACTOR shall keep in full force and effect, automobile insurance for bodily injury and property damage providing coverage to a combined single limit of $1,000,000 per occurrence. Insurance certificate shall reflect coverage for any automobile [any auto]. The CITY shall be named as an additional insured, but only for liability arising out of the use of CONTRACTOR's automobiles and only arising out of the performance of this Agreement.

6.1.3 Worker's Compensation

For all of the CONTRACTOR's employees who are subject to this Agreement and to the extent required by the State of California, the CONTRACTOR shall keep in full force and effect, a workers compensation policy. That policy shall provide a minimum of $1,000,000 of employees liability coverage and the CONTRACTOR shall provide and endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.

6.2 Rating Requirements

All bonds used to guarantee work and performance under this Agreement and all insurance required by express provision of this Agreement shall be carried only by responsible insurance companies that have been at least and "A" or "A-" and "V" rating by AM BEST, that are licensed and approved by the State to do business in the State of California, and that have been approved by the CITY.

6.3 Deductibles

All deductibles on any policy shall be the responsibility of the CONTRACTOR.

6.4 Specific Provisions Required

Each policy required under Section 6 herein, shall expressly provide, and an endorsement shall be submitted to the City, that:

6.4.1 Except as to Workers Compensation, the City of Calexico and is respective elected officials, officers, employees, agents, and representatives shall be named as additional insureds. The CITY's Additional Insured status must be reflected on additional insured endorsement which shall be submitted to the CITY.

6.4.2 The policies are primary and any insurance that may be carried by the CITY is non-contributing, as reflected in an endorsement which shall be submitted to the CITY.

6.4.3 The policies cannot be canceled, non renewed or materially changed except after thirty calendar days prior written notice by the CONTRACTOR to the CITY by certified mail, as reflected

in an endorsement which shall be submitted to the CITY except for non-payment of premium, in which case ten (10) days notice will be provided.

6.4.4 Before performing under this Agreement, the CONTRACTOR shall provide the CITY with all Certificates of Insurance accompanied with all endorsements.

6.4.5 The CONTRACTOR may obtain additional insurance not required by this Agreement.

7. Agreementor Compliance with Labor Code

CONTRACTOR certifies that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the work of this Agreement.

8. Control of Agreement

The improvement contemplated in the performance of this contract is a project over which the City of Calexico shall exercise general supervision. The CITY therefore shall have the right to assume full and direct control over this contract whenever the CITY, at its sole discretion, shall determine that its responsibility to the State of California so requires.

9. Conflicting Terms

If an apparent conflict or inconsistency exists between the main body of this Agreement and the bid, proposal or other incorporated document, the main body of this Agreement shall control. If a conflict exists between applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirements shall control. Each party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

10. Indemnification and Hold Harmless Agreement

10.1 With respect to any liability, including but not limited to claims asserted or costs, losses, attorney fees (for attorney of CITY's choosing), or payments for injury to any person or property caused or claimed to be caused by the acts or omissions of the CONTRACTOR, or the CONTRACTORS's employees, agents, and officers, arising out of any services performed involving this project, the CONTRACTOR agrees to defend, indemnify, protect, and hold harmless the CITY, its agents, officers, or employees from and against all liability . Also covered is liability arising from, connected with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of the CITY, its agents, officers, or employees which may be in combination with the active or passive negligent acts or omissions of the CONTRCTOR, its employees, agents or officers,

or any third party. The CONTRACTOR's duty to defend, indemnity, protect and hold harmless shall not include any claims or liabilities arising from the soles negligence or sole willful misconduct of the CITY, its agent, officers or employees. This section in no way alters, affects or modifies any of CONTRACTOR's other obligations and duties herein.

10.2 The CONTRACTOR agrees to pay any and all costs the CITY incurs enforcing the indemnity and defense provisions herein.

11. Notices

In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing, notice to the parties herein shall be addressed as follows:

CITY

City of Calexico
Public Works Department
608 Heber Avenue
Calexico, CA 92231

CONTRACTOR:

Cora Constructors, Inc.
75140 St. Charles PL #A
Palm Desert, CA 92211

12. Non-Assignment

The CONTRACTOR shall not assign the obligations under this Agreement, whether by express assignment or by sale of the company, nor any monies due or to become due, without the CITY's prior written approval. Any assignment in violation of this paragraph shall constitute a Default and is grounds for immediate termination of this Agreement, at the sole discretion of the CITY. In no event shall any putative assignment create a contractual relationship between the CITY and any putative assignee.

13. Independent Agreementors

The CONTRACTOR and any SUBCONTRCTORS employed by the CONTRACTOR shall be independent contractors and not agents of the CITY.

14. Compliance with Controlling Law

The CONTRACTOR shall comply with all laws, ordinances, regulations, and policies of the federal, state and local governments applicable to this Agreement, including California Labor Code section 1720 relating to the payment of prevailing wages, including inspection and land surveying work. In addition, the CONTRACTOR shall comply immediately with all directives issues by the CITY or its authorized representatives under authority of any laws, statures, ordinances, rules or

regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

Pursuant to the Labor Code of the State of California, or local laws applicable thereto, the CITY has ascertained that the CONTRACTOR shall be responsible for paying prevailing wages as established by the State of California, Director of Industrial Relations. Under Section 1776 of the State Labor Code, the CONTRACTOR, and all subcontractors, are required to keep accurate payroll records. This Section specifies the content thereof, inspection and duplication procedures, and certain notices required of the CONTRACTOR pertaining to their location.

Whenever the CONTRACTOR or any representative, agent or employee Of CONTRACTOR performing a public works project is found by the Department of Industrial Relations ("DIR") or the CITY to be in violation of the prevailing wage requirements imposed by law, the CONTRACTOR shall indemnify and hold CITY harmless from any and all liability arising from such violation, including any and all liability imposed on the City. The CONTRACTOR's duty to indemnify the CITY pursuant to this section shall include any and all costs and expenses incurred by the CITY therefrom, including but not limited to any penalties imposed on the CITY by DIR or any other state agency and reasonable attorney's fees.

Nothing in this section shall be construed to limit, alter or amend the CONTRACTOR's duty to indemnify under any other provisions of this Agreement.

15. Jurisdiction and Venue

The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of the Imperial, State of California.

16. Integration

This Agreement and the exhibits and references incorporated into this Agreement fully express all understandings of the Parties concerning the matters covered in this Agreement. No change, alteration, or modification of the terms or conditions of this Agreement, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both parties or an amendment to this Agreement agreed to both Parties. All prior negotiations and agreements are merged into this Agreement.

17. Counterparts

This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all parties had executed the same page.

18. No Waiver

No failure of either the CITY or the CONTRACTOR to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach or such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.

19. Severability

The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid, or illegal.

IN WITNESS WHEREOF, the parties hereto through their agent duly authorized, have executed this Agreement as of the day and year first above written.

ATTEST:

| | |
|---|---|
| _____ | _____ |
| GABRIELA GARCIA | ARMANDO G. VILLA |
| Deputy City Clerk of the City of Calexico | City Manager of the City of Calexico |

CONTRACTOR

By:_____ _____
Signature Date

_____
Printed Name and Title

Licensed in accordance with an act
Providing for the registration of contractors,
License No._____

APPROVED AS TO FORM AND EXECUTION

_____ _____
CARLOS CAMPOS Date
Interim City Attorney