



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE:

Johnson Street & Utility Improvement Project.

RECOMMENDED MOTION:

Adopt a resolution Awarding a Contract to John Benward Co., Inc.

SUMMARY

Construction Plans and Specifications were prepared for Johnson Street & Utility Repair Project. The project was Advertised for bids on February 17, 2010 and bids opened on March 30, 2010. The City received ten bids. The low bid was from John Benward Co., Inc. with an amount of \$342,111.01.

Before construction can begin the City must award the contract.

Pursuant to provisions within Chapter 3.30 of the Sausalito Municipal Code Staff recommends the City Council adopt a resolution awarding a contract to John Benward Co., Inc for the Johnson Street & Utility Repair Project.

BACKGROUND

The 2009/10 Budget includes resources to repair City streets. Since Summer of 2009 preparation of Project Plans and Specifications have been underway to affect these repairs.

Separately, the City is contracting with Alten Construction to build the Public Safety Facility Project.

There was a desire to coordinate the two projects. As a result the subject project, Johnson Street and Utility Improvements, was created and advertised in an effort to enable the work to be done at the same time, as much as possible. The plans and specifications were completed in early February and advertised, per Council Authorization granted November 17, 2010.

Bids were open on March 30, 2010. Ten contractors submitted bids.

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The purpose of this report is to review the Bids and Award a Contract.

ISSUES

Award

Chapter 3.30 of the Sausalito Municipal Code establishes policies for purchasing services for Capital Improvement Projects. The subject project is a Capital Improvement Project subject to formal bidding procedures. Under these procedures the City Council must award a contract to the lowest responsive bidder.

John Benward Co. Inc. was the lowest bidding contractor. A summary of the bids is as follows:

Firm Name	Base Bid	Add Alternates Total
John Benward Co.	\$342,111.01	\$25,082.85
Ghilotti Bros.	\$372,860.00	\$47,880.00
W.R. Forde	\$431,185.00	\$73,525.00
W.K. McLellan	\$382,485.00	\$29,977.50
J & M Inc.	\$455,896.50	\$34,569.00
Ghilotti Bros.	\$410,420.00	\$26,615.00
Maggiora & Ghilotti	\$456,789.00	\$42,780.00
North Bay Const.	\$465,900.00	\$33,010.00
Team Ghilotti	\$461,268.00	\$40,390.00
Interstate Grading & Paving	\$568,389.00	\$36,070.00
Engineer's Estimate	\$396,120.00	\$95,000.00

A detailed bid tabulation is attached and can be provided in larger format at the City Council Meeting, if requested.

Scope

The project includes the following work elements

- Reconstructs Pavement Structure of Johnson from Bridgeway to Caledonia.
- Pavement overlay of Johnson from Caledonia to Glen
- Reconstructs the Sewer Main on Johnson from Glen to Bridgeway
- Slip Lines the Storm Drain on Johnson from Caledonia to Bridgeway
- Replaces a small storm drain on Caledonia
- Spot repairs of the Sewer Main on Caledonia

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Additive alternate work is the Overlay of Caledonia. The Public Safety Facility Building includes a work item to patch pave Caledonia. There is a desire to repave the whole street once the patch paving is done. The City is soliciting a change order with Alten Construction to Overlay Caledonia. Staff is requesting authorization to go with the less expensive of the bids between Alten and John Benward when they become known.

Status of Remaining Street Repair Work

Project Plans for the City Wide Street Repair Project were at 95% completion in late January. Staff was targeting late February as a time to advertise for bids.

On February 2, 2010, staff at the Transportation Authority of Marin announced preparation of a Federal Stimulus 2 Bill given the title "Jobs for Main Street" and began to solicit proposals. Like the Federal Stimulus 1 the program is expected to fund "shovel ready" projects. Given the state of the Street Repair Program Plans, staff believed it was "shovel ready" and so we submitted a proposal for an additional \$500,000. The funding would provide additional resources on City streets that are Federal Aid eligible. Not all City streets are eligible. Additional streets proposed for funding are:

Street name	From	To
Nevada St.	Tomales	Bridgeway
Rodeo	Hwy 101	PG &E Towers
San Carlos	Glen/Harrison	Spencer
Woodward	Rodeo	Cazneau

This proposal was pre-screened and accepted by TAM staff and Caltrans, pending approval of the Bill. The project plans were revised to add the additional street segments. The Specifications were "Federalized." Original schedules called for adoption of the Stimulus 2 Bill on March 1. Federal Processes must be followed to receive the funds and it was expected that the authorization from Caltrans (and the FHWA) to advertise would have occurred April 12. Coordinating the street repair project with the federal stimulus funding opportunity slowed progress. 6 weeks ago staff believed that the 30% augmentation was cost effective financially and from a time perspective.

Since the original solicitation by TAM the Stimulus 2 Bill the schedule has changed a lot. More data on the economic recovery is coming in. Political opposition to additional federal spending for economic stimulus is growing. As of this report prep date, the schedule has slipped four weeks. It is uncertain whether or not there is sufficient support in Washington, now, to enable the bill's adoption.

Staff believed a two week slip was reasonable. The schedule has slipped further as of this moment. As such the project is being reconfigured, again. Staff will be able to

report the status up to the moment if requested. As of now the expectation is that the revised project will be out for advertisement by April 9, 2010. If stimulus 2 does happen, the basic documents are available for packaging in a 3-4 week period, we believe in line with Authorization Schedules.

FISCAL IMPACT

The Engineer's Estimate for the project, base bid, is \$396,120. The low bid total of base bid and Add Alternates is \$367,193.86. The Project specifications include the City's current Change Order Policy restrictions limiting changes to no greater than \$15,000 for projects up to \$500,000. Staff believes this is too restrictive given the age of the facility and the current level of documentation of existing conditions. Staff requests contingency authorization of up to 10% (\$36,719.39) of the base bid and add alternates.

Staff is recommending the costs be allocated to the following funds as follows:

	Low Bid	Low Bid w/req Contingency
Sewer Fund	\$110,103.70	\$121,114.07
PSF Fund	\$108,599.39	\$119,459.33
Gen. Capital (Street Repair)	\$148,490.77	\$163,339.85
Total	\$367,193.86	\$403,913.25

Detail of this allocation are shown on a attached spreadsheet.

STAFF RECOMMENDATIONS

Adopt a Resolution:

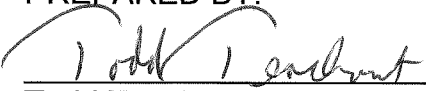
1. Accepting Bids for Johnson Street and Utility Improvements Project,
2. Awarding a contract to John Benward Co., Inc., as lowest responsive bidder,
3. Authorizing the City Manager to execute contract with John Benward Co., Inc.
4. Appropriating \$121,115 from the Sewer Fund
5. Appropriating \$119,460 from the PSF Fund
6. Appropriating \$163,340 from the General Capital Fund

ATTACHMENTS

1. Resolution
2. Bid Tabulation
3. Cost Allocation
4. Contract

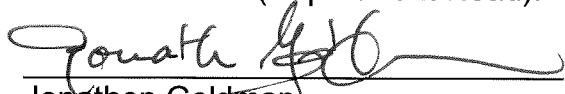
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PREPARED BY:




Todd Teachout,
City Engineer

REVIEWED BY (Department Head):



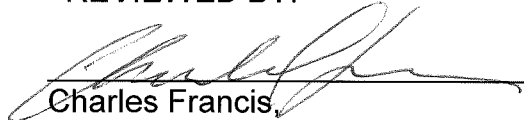
Jonathon Goldman,
Director of Public Works

REVIEWED BY (City Attorney):



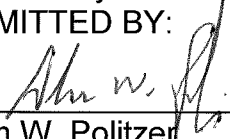
Mary Wagner,
City Attorney

REVIEWED BY:



Charles Francis,
Acting Director of Finance

SUBMITTED BY:



Adam W. Politzer
City Manager

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RESOLUTION __-10

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAUSALITO
AWARDING A CONTRACT AND AUTHORIZING THE CITY MANAGER TO
EXECUTE AN AGREEMENT WITH JOHN BENWARD CO., INC. FOR JOHNSON
STREET & UTILITY IMPROVEMENTS**

WHEREAS, the City of Sausalito is in need to repair infrastructure and budgeted resources and caused to be prepared plans and specifications entitled Johnson Street & Utility Improvements, and

WHEREAS, pursuant to California Public Contract Code requirements and purchasing procedures described in Chapter 3.30 of the Sausalito Municipal Code the City of Sausalito formally solicited bids, and

WHEREAS, Ten Sealed Bids were opened and publicly read on March 30, 2010, and

WHEREAS, solicited bids the City prepared plans and specifications to repair said streets, and

WHEREAS, John Benward Co., Inc. submitted a low base and add Alternate bid for \$367,193.86, and

WHEREAS, it is prudent to authorize an additional ten percent (10%) contingency funding (\$36,719.39) for unforeseen matters.

WHEREAS, the work scope for said project includes work eligible for funding from the Sewer Fund, the Public Safety Facilities Fund, and the General Capital Fund, and

WHEREAS, award of contract and appropriation of funds requires authorization from the City Council.

NOW, THEREFORE, the City Council of the City of Sausalito hereby resolves as follows:

1. Awards a Contract to John Benward Co. Inc. an with a low bid of \$367,193.86.
2. Appropriates \$121,114.07 from the Sewer Fund, \$119,459.33 from the PSF Fund, and \$163,339.85 from the General Capital Fund representing the bid amount and a contingency of 10%
3. Approves and Authorizes the City Manager to Execute a Construction Agreement between the City of Sausalito and John Benward Co. Inc.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Sausalito on the _____ day of _____, 2010, by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSTAIN: Councilmembers:

Mayor, City of Sausalito

ATTEST:

City Clerk

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Bid Tabulation

Bid Opening
March 30, 2010
2:00PM

Johnson Street

and

Utility Improvements

City of Sausalito

Construction Control	QTY	UNITS	Engineer's Estimate			John Benward Co., Inc.			Ghiorttil Constr.			W.R. Forde			W.K. McLellan			J&M, Inc.		
			Unit Price	Extended Price		Unit Price	Extended Price		Unit Price	Extended Price		Unit Price	Extended Price		Unit Price	Extended Price		Unit Price	Extended Price	
Construction Control																				
a. Mobilization	1	LS	\$12,000.00	\$12,000.00	\$10,725.05	\$10,725.05	\$27,000.00	\$27,000.00	\$18,500.00	\$18,500.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$13,878.00	\$13,878.00				
b. Stormwater Pollution Prevention Plan	1	LS	\$3,000.00	\$3,000.00	\$2,540.51	\$2,540.51	\$500.00	\$500.00	\$2,500.00	\$2,500.00	\$1,000.00	\$1,000.00	\$2,500.00	\$2,500.00	\$2,350.00	\$2,350.00				
c. Traffic Control	1	LS	\$5,000.00	\$5,000.00	\$11,086.24	\$11,086.24	\$5,000.00	\$5,000.00	\$15,000.00	\$15,000.00	\$2,500.00	\$2,500.00	\$5,000.00	\$5,000.00	\$16,409.00	\$16,409.00				
Subtotal - Construction Control				\$20,000.00		\$24,351.80		\$32,500.00		\$36,000.00		\$36,000.00		\$18,500.00		\$32,637.00				
Johnson Street Improvements																				
a. Asphalt Concrete - (6")	270	TONS	\$190.00	\$51,300.00		\$88.22	\$23,819.40	\$100.00	\$27,000.00	\$107.00	\$28,890.00	\$121.50	\$32,805.00	\$182.00	\$49,140.00					
b. Class II Aggregate Base (12")	280	CY	\$30.00	\$8,400.00		\$55.54	\$15,551.20	\$52.00	\$14,560.00	\$75.00	\$21,000.00	\$65.50	\$18,340.00	\$41.50	\$11,620.00					
c. Dig Out and Patch (0.5')	180	SF	\$250.00	\$45,000.00		\$6.55	\$1,179.00	\$22.00	\$3,960.00	\$12.00	\$2,160.00	\$10.00	\$1,800.00	\$11.00	\$1,980.00					
d. AC Grinding (2.0")	10,600	SF	\$1.00	\$10,600.00		\$0.53	\$5,618.00	\$0.75	\$7,950.00	\$0.75	\$7,950.00	\$0.80	\$8,480.00	\$0.75	\$7,950.00					
e. Asphalt Concrete - (2.0" AC Overlay)	375	TONS	\$190.00	\$71,250.00		\$87.15	\$32,681.25	\$100.00	\$37,500.00	\$115.00	\$43,125.00	\$121.50	\$45,562.50	\$149.00	\$55,875.00					
f. Thermoplastic Pavement Markings	1	LS	\$190.00	\$190.00		\$5,365.33	\$5,365.33	\$4,500.00	\$4,500.00	\$4,365.00	\$4,365.00	\$6,575.00	\$6,575.00	\$8,090.00	\$8,090.00					
g. Adjust Frames & Cover to Grade	17	EA	\$250.00	\$4,250.00		\$159.87	\$2,717.79	\$60.00	\$1,020.00	\$80.00	\$1,360.00	\$250.00	\$4,250.00	\$480.00	\$8,160.00					
h. Adjust Manhole Rim to Grade	1	EA	\$1,000.00	\$1,000.00		\$483.54	\$483.54	\$1,000.00	\$1,000.00	\$800.00	\$800.00	\$750.00	\$750.00	\$625.00	\$625.00					
i. Re-establish Survey Monument	1	EA	\$10,000.00	\$10,000.00		\$1,781.72	\$1,781.72	\$1,000.00	\$1,000.00	\$800.00	\$800.00	\$45.00	\$45.00	\$27.00	\$27.00					
j. Pavement Markers (Blue Reflectors)	3	EA	\$50.00	\$150.00		\$10.57	\$31.71	\$15.00	\$45.00	\$15.00	\$45.00	\$10.00	\$30.00	\$11.00	\$33.00					
k. Replace (E) Signal Loop	8	EA	\$1,250.00	\$10,000.00		\$528.60	\$4,228.80	\$350.00	\$2,800.00	\$300.00	\$2,400.00	\$500.00	\$4,000.00	\$837.00	\$6,696.00					
l. Sanitary Sewer Main (8"C900)	832	LF	\$75.00	\$62,400.00		\$79.16	\$65,861.12	\$85.00	\$70,720.00	\$110.00	\$91,520.00	\$112.80	\$93,849.60	\$116.00	\$96,512.00					
m. Sanitary Sewer Main (12"C900)	221	LF	\$90.00	\$19,890.00		\$86.62	\$19,143.02	\$120.00	\$26,520.00	\$120.00	\$26,520.00	\$127.80	\$28,243.80	\$95.50	\$21,105.50					
n. Precast Concrete Sectional Manholes (SSMH)	3	EA	\$3,500.00	\$10,500.00		\$3,693.86	\$11,081.58	\$4,000.00	\$12,000.00	\$5,000.00	\$15,000.00	\$4,000.00	\$12,000.00	\$2,900.00	\$8,700.00					
o. Precast Concrete Sectional Manholes (SDMH)	1	EA	\$3,500.00	\$3,500.00		\$4,731.22	\$4,731.22	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$3,400.00	\$3,400.00					
p. Storm Drain Pipe(8"C900)	132	LF	\$60.00	\$7,920.00		\$51.91	\$6,852.12	\$80.00	\$10,560.00	\$95.00	\$12,540.00	\$76.00	\$10,032.00	\$89.00	\$11,748.00					
q. Cured In Place Liner (Johnson Street)	329	LF	\$25.00	\$8,225.00		\$86.69	\$28,521.01	\$95.00	\$31,255.00	\$90.00	\$29,610.00	\$82.00	\$26,978.00	\$112.00	\$36,848.00					
r. Cured In Place Liner (Caledonia Street)	64	LF	\$30.00	\$1,920.00		\$116.29	\$7,442.56	\$110.00	\$7,040.00	\$115.00	\$7,360.00	\$110.00	\$7,040.00	\$142.50	\$9,120.00					
s. Concrete Finish Work (30" Curb & Gutter)	95	LF	\$25.00	\$2,375.00		\$37.94	\$3,604.30	\$50.00	\$4,750.00	\$60.00	\$5,700.00	\$50.00	\$4,750.00	\$37.00	\$3,515.00					
t. Demolition	1	LS	\$18,000.00	\$18,000.00		\$11,734.47	\$11,734.47	\$24,000.00	\$24,000.00	\$30,000.00	\$30,000.00	\$32,000.00	\$32,000.00	\$3,000.00	\$3,000.00					
u. Sewer Lateral (PVC)	39	EA	\$750.00	\$29,250.00		\$1,675.13	\$65,330.07	\$1,000.00	\$39,000.00	\$1,200.00	\$46,800.00	\$500.00	\$19,500.00	\$1,996.00	\$77,844.00					
Subtotal Johnson Street Improvements				\$376,120.00		\$317,759.21		\$340,360.00		\$395,185.00		\$431,185.00		\$363,985.90		\$423,259.50				
Total Base Bid				\$396,120.00		\$342,111.01		\$372,860.00		\$431,185.00		\$473,525.00		\$382,485.90		\$455,896.50				
Add Alternates																				
v. Asphalt Concrete - (1.5" Caledonia AC Overlay)	125	TONS	\$190.00	\$23,750.00		\$106.79	\$13,348.75	\$130.00	\$16,250.00	\$185.00	\$23,125.00	\$121.50	\$15,187.50	\$117.00	\$14,625.00					
w. AC Grinding (2.0")	5,400	SF	\$1.00	\$5,400.00		\$0.51	\$2,754.00	\$1.00	\$5,400.00	\$1.80	\$9,720.00	\$0.80	\$4,320.00	\$0.75	\$4,050.00					
x. Dig Out and Patch (0.5')	220	SF	\$250.00	\$55,000.00		\$6.54	\$1,438.80	\$25.00	\$5,500.00	\$12.00	\$2,640.00	\$10.00	\$2,200.00	\$11.00	\$2,420.00					
y. Adjust Frames & Cover to Grade	19	EA	\$250.00	\$4,750.00		\$153.73	\$2,920.87	\$600.00	\$11,400.00	\$1,000.00	\$19,000.00	\$250.00	\$4,750.00	\$480.00	\$9,120.00					
z. Adjust Manhole Rim to Grade	4	EA	\$1,000.00	\$4,000.00		\$483.55	\$1,934.20	\$1,000.00	\$4,000.00	\$1,000.00	\$4,000.00	\$750.00	\$3,000.00	\$625.00	\$2,500.00					
aa. Pavement Markers (Blue Reflectors)	2	EA	\$50.00	\$100.00		\$21.32	\$42.64	\$15.00	\$30.00	\$20.00	\$40.00	\$10.00	\$20.00	\$27.00	\$54.00					
bb. Demolition	1	LS	\$2,000.00	\$2,000.00		\$2,664.91	\$2,664.91	\$5,300.00	\$5,300.00	\$15,000.00	\$15,000.00	\$500.00	\$500.00	\$1,800.00	\$1,800.00					
Subtotal Add Alternate Items				\$95,000.00		\$25,082.85		\$47,880.00		\$73,525.00		\$29,977.50		\$34,569.00		\$34,569.00				

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Bid Tabulation

Bid Opening
March 30, 2010
2:00PM

Johnson Street

and

Utility Improvements

City of Sausalito

Description	QTY	UNITS	Engineer's Estimate		Ghillotti Bros.		Maggiore & Ghilotti		North Bay Construction		Team Ghilotti		Interstate Grading & Paving	
			Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
Construction Control														
a. Mobilization	1	LS	\$12,000.00	\$12,000.00	\$14,000.00	\$14,000.00	\$22,000.00	\$22,000.00	\$25,000.00	\$25,000.00	\$16,000.00	\$16,000.00	\$30,000.00	\$30,000.00
b. Stormwater Pollution Prevention Plan	1	LS	\$3,000.00	\$3,000.00	\$2,360.00	\$2,360.00	\$800.00	\$800.00	\$1,200.00	\$1,200.00	\$750.00	\$750.00	\$1,800.00	\$1,800.00
c. Traffic Control	1	LS	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$2,000.00	\$2,000.00	\$18,442.00	\$18,442.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
Subtotal - Construction Control				\$20,000.00		\$21,360.00		\$24,800.00		\$44,642.00		\$41,750.00		\$56,800.00
Johnson Street Improvements														
a. Asphalt Concrete (6")	270	TONS	\$190.00	\$51,300.00	\$110.00	\$29,700.00	\$102.00	\$27,540.00	\$88.00	\$23,760.00	\$120.00	\$32,400.00	\$102.00	\$27,540.00
b. Class II Aggregate Base (12")	280	CY	\$30.00	\$8,400.00	\$70.00	\$19,600.00	\$85.00	\$23,800.00	\$56.00	\$15,680.00	\$60.00	\$16,800.00	\$70.00	\$19,600.00
c. Dig Out and Patch (0.5')	180	SF	\$250.00	\$45,000.00	\$9.00	\$1,620.00	\$10.00	\$1,800.00	\$150.00	\$27,000.00	\$18.00	\$3,240.00	\$25.00	\$4,500.00
d. AC Grinding (2.0")	10,600	SF	\$1.00	\$10,600.00	\$0.45	\$4,770.00	\$0.83	\$8,798.00	\$0.40	\$4,240.00	\$0.70	\$7,420.00	\$1.50	\$15,900.00
e. Asphalt Concrete - (2.0" AC Overlay)	375	TONS	\$190.00	\$71,250.00	\$105.00	\$39,375.00	\$102.00	\$38,250.00	\$99.00	\$37,125.00	\$105.00	\$39,375.00	\$102.00	\$38,250.00
f. Thermoplastic Pavement Markings	1	LS	\$190.00	\$190.00	\$4,365.00	\$4,365.00	\$5,000.00	\$5,000.00	\$4,400.00	\$4,400.00	\$4,400.00	\$4,400.00	\$5,500.00	\$5,500.00
g. Adjust Frames & Cover to Grade	17	EA	\$250.00	\$4,250.00	\$350.00	\$5,950.00	\$360.00	\$6,120.00	\$415.00	\$7,055.00	\$365.00	\$6,205.00	\$300.00	\$5,100.00
h. Adjust Manhole Rim to Grade	1	EA	\$1,000.00	\$1,000.00	\$350.00	\$350.00	\$360.00	\$360.00	\$440.00	\$440.00	\$500.00	\$500.00	\$750.00	\$750.00
i. Re-establish Survey Monument	1	EA	\$10,000.00	\$10,000.00	\$1,500.00	\$1,500.00	\$1,300.00	\$1,300.00	\$415.00	\$415.00	\$725.00	\$725.00	\$1,200.00	\$1,200.00
j. Pavement Markers (Blue Reflectors)	3	EA	\$50.00	\$150.00	\$15.00	\$45.00	\$15.00	\$45.00	\$15.00	\$45.00	\$45.00	\$45.00	\$10.00	\$30.00
k. Replace (E) Signal Loop	8	EA	\$1,250.00	\$10,000.00	\$300.00	\$2,400.00	\$300.00	\$2,400.00	\$330.00	\$2,640.00	\$500.00	\$4,000.00	\$500.00	\$4,000.00
l. Sanitary Sewer Main (8"C900)	832	LF	\$75.00	\$62,400.00	\$130.00	\$108,160.00	\$112.00	\$93,184.00	\$109.00	\$90,688.00	\$115.00	\$95,680.00	\$170.00	\$141,440.00
m. Sanitary Sewer Main (12"C900)	221	LF	\$90.00	\$19,890.00	\$91.00	\$20,111.00	\$112.00	\$24,752.00	\$132.00	\$29,172.00	\$125.00	\$27,625.00	\$150.00	\$33,150.00
n. Precast Concrete Sectional Manholes (SSMH)	3	EA	\$3,500.00	\$10,500.00	\$3,400.00	\$10,200.00	\$5,100.00	\$15,300.00	\$4,000.00	\$12,000.00	\$5,250.00	\$15,750.00	\$5,700.00	\$17,100.00
o. Precast Concrete Sectional Manholes (SDMH)	1	EA	\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00	\$5,100.00	\$5,100.00	\$3,300.00	\$3,300.00	\$4,300.00	\$4,300.00	\$5,100.00	\$5,100.00
p. Storm Drain Pipe(8"C900)	132	LF	\$60.00	\$7,920.00	\$57.00	\$7,524.00	\$93.00	\$12,276.00	\$90.00	\$11,880.00	\$85.00	\$11,220.00	\$120.00	\$15,840.00
q. Cured In Place Liner (Johnson Street)	329	LF	\$25.00	\$8,225.00	\$90.00	\$29,610.00	\$82.00	\$26,978.00	\$82.00	\$26,978.00	\$82.00	\$26,978.00	\$83.00	\$27,307.00
r. Cured In Place Liner (Caledonia Street)	64	LF	\$30.00	\$1,920.00	\$120.00	\$7,680.00	\$110.00	\$7,040.00	\$110.00	\$7,040.00	\$110.00	\$7,040.00	\$113.00	\$7,232.00
s. Concrete Finish Work (30" Curb & Gutter)	95	LF	\$25.00	\$2,375.00	\$40.00	\$3,800.00	\$40.00	\$3,800.00	\$40.00	\$3,800.00	\$37.00	\$3,515.00	\$70.00	\$6,650.00
t. Demolition	1	LS	\$18,000.00	\$18,000.00	\$22,500.00	\$22,500.00	\$34,546.00	\$34,546.00	\$20,000.00	\$20,000.00	\$7,000.00	\$7,000.00	\$34,000.00	\$34,000.00
u. Sewer Lateral (PVC)	39	EA	\$750.00	\$29,250.00	\$1,700.00	\$66,300.00	\$2,400.00	\$93,600.00	\$2,400.00	\$93,600.00	\$2,700.00	\$105,300.00	\$2,600.00	\$101,400.00
Subtotal Johnson Street Improvements				\$376,120.00		\$389,060.00		\$431,989.00		\$421,258.00		\$419,518.00		\$511,589.00
Total Base Bid				\$396,120.00		\$410,420.00		\$456,789.00		\$465,900.00		\$461,268.00		\$566,389.00
Add Alternates														
v. Asphalt Concrete - (1.5" Caledonia AC Overlay)	125	TONS	\$190.00	\$23,750.00	\$105.00	\$13,125.00	\$150.00	\$18,750.00	\$100.00	\$12,500.00	\$145.00	\$18,125.00	\$102.00	\$12,750.00
w. AC Grinding (2.0")	5,400	SF	\$1.00	\$5,400.00	\$0.45	\$2,430.00	\$2.25	\$12,150.00	\$0.50	\$2,700.00	\$1.00	\$5,400.00	\$1.50	\$8,100.00
x. Dig Out and Patch (0.5')	220	SF	\$250.00	\$55,000.00	\$9.00	\$1,980.00	\$12.00	\$2,640.00	\$16.50	\$3,630.00	\$20.00	\$4,400.00	\$25.00	\$5,500.00
y. Adjust Frames & Cover to Grade	19	EA	\$250.00	\$4,750.00	\$350.00	\$6,650.00	\$400.00	\$7,600.00	\$450.00	\$8,550.00	\$365.00	\$6,935.00	\$300.00	\$5,700.00
z. Adjust Manhole Rim to Grade	4	EA	\$1,000.00	\$4,000.00	\$350.00	\$1,400.00	\$400.00	\$1,600.00	\$475.00	\$1,900.00	\$500.00	\$2,000.00	\$750.00	\$3,000.00
aa. Pavement Markers (Blue Reflectors)	2	EA	\$50.00	\$100.00	\$15.00	\$30.00	\$20.00	\$40.00	\$15.00	\$30.00	\$15.00	\$30.00	\$10.00	\$20.00
bb. Demolition	1	LS	\$2,000.00	\$2,000.00	\$1,000.00	\$1,000.00	\$0.00	\$0.00	\$3,700.00	\$3,700.00	\$3,500.00	\$3,500.00	\$1,000.00	\$1,000.00
Subtotal Add Alternate Items				\$95,000.00		\$26,615.00		\$42,780.00		\$33,010.00		\$40,390.00		\$36,070.00

P9 7B 4B14 10

John Benward Co., Inc.

Sewer Fund	PSF Cost	Portion	Construction Control	QTY	UNITS	Unit Price	Extended Price	Sewer Fund	PSF Fund	Street Program Cost
33%	33%	a.	Mobilization	1	LS	\$10,725.05	\$10,725.05	\$3,539.27	\$3,539.27	\$3,646.52
33%	33%	b.	Stormwater Pollution Prevention Plan	1	LS	\$2,540.51	\$2,540.51	\$838.37	\$838.37	\$863.77
33%	33%	c.	Traffic Control	1	LS	\$11,086.24	\$11,086.24	\$3,658.46	\$3,658.46	\$3,769.32
Subtotal - Construction Control							\$24,351.80	\$8,036.09	\$8,036.09	\$8,279.61
Johnson Street Improvements										
100%		a.	Asphalt Concrete - (6")	270	TONS	\$88.22	\$23,819.40	\$0.00	\$23,819.40	\$0.00
100%		b.	Class II Aggregate Base (12")	280	CY	\$55.54	\$15,551.20	\$0.00	\$15,551.20	\$0.00
		c.	Dig Out and Patch (0.5')	180	SF	\$6.55	\$1,179.00	\$0.00	\$0.00	\$1,179.00
		d.	AC Grinding (2.0')	10	600 SF	\$0.53	\$5,618.00	\$0.00	\$1,067.42	\$4,550.58
		e.	Asphalt Concrete - (2.0" AC Overlay)	375	TONS	\$87.15	\$32,681.25	\$0.00	\$6,209.44	\$26,471.81
		f.	Thermoplastic Pavement Markings	1	LS	\$5,365.33	\$5,365.33	\$0.00	\$5,365.33	\$0.00
		g.	Adjust Frames & Cover to Grade	17	EA	\$159.87	\$2,717.79	\$0.00	\$652.27	\$2,065.52
		h.	Adjust Manhole Rim to Grade	1	EA	\$483.54	\$483.54	\$0.00	\$0.00	\$483.54
		i.	Re-establish Survey Monument	1	EA	\$1,781.72	\$1,781.72	\$1,781.72	\$0.00	\$0.00
		j.	Pavement Markers (Blue Reflectors)	3	EA	\$10.57	\$31.71	\$0.00	\$0.00	\$31.71
100%		k.	Replace (E) Signal Loop	8	EA	\$528.60	\$4,228.80	\$0.00	\$4,228.80	\$0.00
100%		l.	Sanitary Sewer Main (8"C900)	832	LF	\$79.16	\$65,861.12	\$0.00	\$0.00	\$65,861.12
100%		m.	Sanitary Sewer Main (12"C900)	221	LF	\$86.62	\$19,143.02	\$19,143.02	\$0.00	\$0.00
100%		n.	Precast Concrete Sectional Manholes (SSM)	3	EA	\$3,693.86	\$11,081.58	\$11,081.58	\$0.00	\$0.00
100%		o.	Precast Concrete Sectional Manholes (SDM)	1	EA	\$4,731.22	\$4,731.22	\$4,731.22	\$0.00	\$0.00
		p.	Storm Drain Pipe(8"C900)	132	LF	\$51.91	\$6,852.12	\$0.00	\$6,852.12	\$0.00
		q.	Cured In Place Liner (Johnson Street)	329	LF	\$86.69	\$28,521.01	\$0.00	\$0.00	\$28,521.01
		r.	Cured In Place Liner (Caledonia Street)	64	LF	\$116.29	\$7,442.56	\$0.00	\$0.00	\$7,442.56
		s.	Concrete Finish Work (30" Curb & Gutter)	95	LF	\$37.94	\$3,604.30	\$0.00	\$0.00	\$3,604.30
		t.	Demolition	1	LS	\$11,734.47	\$11,734.47	\$0.00	\$11,734.47	\$0.00
100%		u.	Sewer Lateral (PVC)	39	EA	\$1,675.13	\$65,330.07	\$65,330.07	\$0.00	\$0.00
Subtotal Johnson Street Improvements							\$317,759.21	\$102,067.61	\$75,480.45	\$140,211.15
Total Base Bid							\$342,111.01	\$110,103.70	\$83,516.54	\$148,490.76
Add Alternates										
		v.	Asphalt Concrete - (1.5" Caledonia AC Ove	125	TONS	\$106.79	\$13,348.75	\$0.00	\$13,348.75	\$0.00
		w.	AC Grinding (2.0")	5,400	SF	\$0.51	\$2,754.00	\$0.00	\$2,754.00	\$0.00
		x.	Dig Out and Patch (0.5')	220	SF	\$6.54	\$1,438.80	\$0.00	\$1,438.80	\$0.00
		y.	Adjust Frames & Cover to Grade	19	EA	\$153.73	\$2,920.87	\$0.00	\$2,920.87	\$0.00
		z.	Adjust Manhole Rim to Grade	4	EA	\$483.55	\$1,934.20	\$0.00	\$1,934.20	\$0.00
		aa.	Pavement Markers (Blue Reflectors)	2	EA	\$10.66	\$21.32	\$0.00	\$21.32	\$0.00
		bb.	Demolition	1	LS	\$2,664.91	\$2,664.91	\$0.00	\$2,664.91	\$0.00
Subtotal Add Alternate Items							\$25,082.85	\$0.00	\$25,082.85	\$0.00

Base Bid +
Add
Alternates

\$110,103.70 \$108,599.39 \$148,490.76

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**CITY OF SAUSALITO
PUBLIC WORKS CONTRACT
JOHNSON STREET & UTILITY
IMPROVEMENTS**

This Contract, made and entered into this day of , 2010, by and between the City of Sausalito, Marin County, California (hereinafter "City") and John Benward Co., Inc., (hereinafter "Contractor").

In consideration of the mutual promises contained herein, and based upon the provisions set forth above, the parties agree as follows:

Section 1. Contract Documents

This Contract consists of and includes this four page Agreement, the Notice to Bidders, the Instruction to Bidders, the Special Provisions, the Plans prepared by the City of Sausalito, the City of Sausalito General Provisions, the Technical Provisions (section 20 through 80) of the "Standard Specifications for Public Works Construction, All Cities and County of Marin," the accepted proposal of Contractor, all addenda referred to in Exhibit of this Agreement, the Performance Bond, Payment Bond, all insurance and security required and the non collusion affidavit required by 7106 of the Public Contracts Code. These documents together form the Contract between City and Contractor, and all are incorporated as fully a part of the Contract as if attached to this Agreement or repeated herein. Throughout the remainder of this Agreement, the "Contract Documents" shall refer to each and every document referred to in this section.

Section 2. The Work

Contractor shall perform everything required to be performed and in the manner required to be performed, in the Contract Documents for

"JOHNSON STREET & UTILITY IMPROVEMENTS".

The duties of Contractor required under the Contract and this Section 2 of the Agreement are referred to throughout the remainder of this Contract as "the Work."

Section 3. Work Schedule

Contractor shall not commence the Work until after receipt of Notice to Proceed issued by the City Engineer, and Contractor shall thereafter commence the Work within fifteen (15) calendar days of receipt of such Notice. The Work shall be completed within fifty (50) consecutive working days after the start date noted on the Notice to Proceed.

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Section 4. Contract Price

City shall pay Contractor for the performance of the Work as the total contract price the total amount of \$342,111.01(Three hundred forty two thousand one hundred eleven and 01/100 Dollars), which amount is as provided in the Approved Bid. Payment of such amount is subject to any deductions of adjustments provided for in the Contract Documents or as may be provided for by any approved Change Order.

Section 5. Amendments

Amendments to the Contract including any Change Order shall be only by written agreement, signed by both parties. No Amendment to this Contract shall be effective until approved by the City Engineer.

Section 6. Independent Contractor - Subcontractors

It is specifically understood and agreed that in the making and performance of this Contract, Contractor is an independent contractor and is not and shall not be construed to be an employee, agent or servant of City. Contractor shall be entitled to employ as its subcontractors only those individuals or firms described in its Bid Proposal, which subcontractors shall be required by Contractor to be subject to any terms and conditions of this Contract which pertains to them.

Section 7. Contractor's Responsibility

It is understood and agreed that Contractor and any subcontractor has the professional skills and licenses necessary to perform the Work, and that City relies upon the professional skills of the Contractor and any subcontractor to do and perform the Work in a skillful and professional manner in accordance with the standards of the profession. Contractor thus agrees to so perform the Work, and to require the same of any subcontractor.

Acceptance by City of the Work, or any of it, does not operate as a release of the Contractor from such professional responsibility. It is further understood and agreed that Contractor has reviewed in detail the scope of the work to be performed under this Contract and agrees that in his professional judgment, the Work can and shall be completed for a fee within the amounts set forth in Section 4 of this Contract.

Contractor agrees to do the Work in accordance with the terms of this Contract and to be bound by the conditions of this Agreement, including all Contract Conditions set out in the documents enumerated in section 1, above.

Section 8. Hold Harmless, Indemnification and Insurance Requirements

A. Indemnification and Hold Harmless.

Contractor shall indemnify, defend and save City, its officers, officials, employees and agents harmless from and against any and all liability, claims, suits, actions, damages and/or causes of action of any kind arising out of any bodily injury,

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personal injury, property damage or in violation of any federal, state or municipal law or ordinance or other cause in connection with the activities of Contractor, its employees, agents, subcontractors or on account of the performance or character of the Work or otherwise related to its performance of this Contract. Approval of any insurance coverage's does not, in any way, relieve Contractor of liability under this Indemnification and hold harmless clause.

B. Insurance Requirements, General

Contractor shall promptly obtain, at his own expense, all the insurance required by the Special Provisions and shall submit coverage verification review and approval by City. The notice to proceed with the Work will not be issued, and Contractor shall not commence work, until such insurance has been approved by City. Contractor shall not allow any Subcontractors to commence work on his subcontract until all similar insurance required of the Subcontractor has been obtained and verified. All required insurance shall remain in full force and effect at all times during the prosecution of the Work and until the final completion and acceptance thereof and in compliance with the further terms of the Contract. Notice to proceed does not relieve Contractor of the duty to obtain such insurance as required by the Contract. Each insurance policy shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt request, has been given to the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

Section 9. Nondiscrimination

There shall be no discrimination against any employee who is employed in the Work, or against any applicant for such employment because of race, religion, color, sex or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Section 10. City Personnel Conflict of Interest

No officers, member, or employee of City and no member of the governing body of City who exercises any functions or responsibilities in the review, approval of the undertaking or carrying out of the Work, shall participate in any decision relating to this Contract which affects his personal interest or the interest of any corporation, partnership, or association in which he is, directly or indirectly interested; nor shall any such officer, member or employee of City have any interest, direct or indirect, in this Contract or the proceeds thereof.

Section 11. Contractor Conflict of Interest

Contractor covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Work. Contractor further covenants that in the performance of this Contract, no persons having any such interest shall be employed.

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Section 12. Assignment

Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or notation) without the prior written consent of City.

Section 13. Ownership of Documents

Contractor agrees that all designs, drawings, specifications, and other technical data produced in the performance of this Contract including any and all shop drawings shall at the request of City and upon completion or termination of the Contract become the sole property of the City including all rights therein of whatever kind and whether arising from common or civil law or equity, and without requirement of additional compensation. Contractor agrees that City shall have access at all reasonable times to inspect and make copies of all notes, designs, drawings, specifications and other technical data pertaining to the Work.

All drawings and engineering documents shall be subject to the approval of and if requested by the City Engineer shall be prepared for the signature of the City Engineer.

Section 14. Enforcement of Contract - Attorney Fees

In the event it shall be necessary for either party to institute court action to enforce any of the terms of this Contract, the prevailing party in such litigation shall be entitled to recover reasonable attorneys fees.

Section 15. Miscellaneous Provisions

- A. Time is of the essence in the performance of this Contract.
- B. This Contract shall extend to, be binding upon and inure to the benefit of any executor, administrator, successor, heir and assign of the parties hereto.

In Witness Whereof, City and Contractor have executed this Contract as of the date first written above.

City of Sausalito:

Contractor: John Benward Co., Inc.

City Manager

Recommended for approval by:

Corporate authority of:

City Engineer

to enter into this
Contract confirmed by:

Approved as to form by:

City Attorney

Corporate Secretary

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WORKMEN'S COMPENSATION INSURANCE CERTIFICATE

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 require every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.

Date: _____

Contractor

By: _____
Signature

Title

Attest: _____
Signature

Title

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PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the City Council of the City of Sausalito, County of Marin, State of California, has awarded to

_____ (hereinafter designated as "Principal")

a contract for **JOHNSON STREET & UTILITY IMPROVEMENTS**, and,

WHEREAS, said Principal is required under the terms of said contract to furnish a bond for the faithful performance of said contract,

NOW, THEREFORE, we, the Principal and _____ Surety, are held and firmly bound unto the City of Sausalito (hereinafter called "City"), in the penal sum of _____ (\$) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors jointly and severally, firmly by these presents. The condition of this obligation is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions, and agreements in the said contract and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save according to their true intent and meaning, and shall indemnify and save harmless City, its officers, representatives, agents, and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

And the said Surety for value received, hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alternation, or additions to the terms of the contract or to the work or to the specifications.

In the event suit is brought upon this bond by City and judgment is recovered, Surety shall pay all costs incurred by City in such suit, including a reasonable attorney's fee to be fixed by the court.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by Principal and Surety above named on the day of , 20 .

_____ (Seal)

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_____(Seal)

_____(Seal)

Principal

_____(Seal)

_____(Seal)

_____(Seal)

Surety

Address

NOTE: Signature of those executing for Surety must be properly acknowledged.

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PAYMENT BOND FOR PUBLIC WORKS

KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the City Council of the City of Sausalito, County of Marin, State of California, and

_____ (hereinafter designated as "Principal")

have entered into an agreement for the furnishing of all materials, labor, services, and transportation necessary, convenient, and proper to implement:

JOHNSON STREET & UTILITY IMPROVEMENTS

which said Agreement dated , 20 , and all of the Contract Documents attached to or forming a part of said Agreement, are hereby referred to and made a part thereof; and

WHEREAS, said Principal is required by Chapter 5 (commencing at Section 3225) and Chapter 7 (commencing at Section 3247), Title 15, Part 4, Division 3 of the California Civil Code to furnish a bond in connection with said contract;

NOW, THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City of Sausalito (hereinafter called "City"), in the penal sum of _____ Dollars(\$) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns fail to pay any of the persons named in Section 3181 of the California Civil Code, or amounts due under the Unemployment Insurance code with respect to work or labor performed by any such claimant, the Surety will pay for the same, in an amount not exceeding the sum hereinabove specified, and also, in case suit is brought upon this bond, a reasonable attorney's fee, to be fixed by the court.

This bond shall insure to the benefit of any of the persons named in Section 3181 of the California Civil Code, so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration, or modification in, to, or any contract, plans, specification, or agreement pertaining or relating to any scheme or work of improvement hereinabove described or pertaining to or relating to the furnishing of labor, materials, or equipment therefor, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement hereinabove described nor by any rescission or attempted rescission of the contract, agreement, or bond; nor by any conditions precedent or subsequent in the bond attempting to limit the right or recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by

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any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances bond has been given, by reason of any breach of contract between the owner or Public Entity and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 3110 or 3112 of the California Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration, or modification herein mentioned.

IN WITNESS WHEREOF, two identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by Principal and Surety above named on the day of , 20 .

_____(Seal)

_____(Seal)

_____(Seal)

Principal

_____(Seal)

_____(Seal)

_____(Seal)

Surety

Address

NOTE: Signature of those executing for Surety must be properly acknowledged.

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WARRANTY BOND

KNOW ALL MEN BY THESE PRESENTS: That

WHEREAS, the City Council of the City of Sausalito, County of Marin, State of California, has awarded to

_____ (hereinafter designated as "Principal")

a contract for **JOHNSON STREET & UTILITY IMPROVEMENTS**, and,

WHEREAS, said Principal is required under the terms of said contract to furnish a bond for the guarantee of materials used and workmanship performed for a period of one (1) year after the recordation of the "Notice of Completion":

NOW, THEREFORE, we, the Principal and _____ as Surety, are held and firmly bound unto the City of Sausalito (hereinafter called "City"), in the penal sum of _____ Dollars(\$) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the said Principal, his or its heirs, executors, administrators, successors or assigns shall for a period of one year from the date of recordation of the "Notice of Completion" repair or replace, at the discretion of the City, any and all defective or deficient materials or workmanship used, supplied, or provided by Principal in performance of said contract, and otherwise well and truly keep and perform all the undertakings, terms, covenants, conditions, and agreements as to any all guarantees and warranties required by said contract and any alteration thereof, made as therein provided, all within the time and in the manner therein designated and in all respects according to their true intent and meaning, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

FURTHER, the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or modification of the Contract Documents or of the Work to be performed thereunder, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time alteration or modification of the Contract Documents or of work to be performed thereunder.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety herein named on the day of , 20 .

_____ (Seal)

_____ (Seal)

_____ (Seal)

Principal

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_____(Seal)

_____(Seal)

_____(Seal)

Surety

Address

NOTE: Signature of those executing for Surety must be properly acknowledged.

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Contract No. _____
Escrow Agreement No. _____

**ESCROW AGREEMENT: SUBSTITUTION OF SECURITIES
PROGRESS PAYMENTS UNDER PUBLIC WORKS CONTRACTS
(Gov. Code Sec. 4590)**

The parties to this Agreement are: The City of Sausalito, County of Marin ("CITY" herein); and:
_____("CONTRACTOR" herein), and the
(name of contractor)
_____("ESCROW AGENT" herein).
name of bank)

RECITALS

CITY and CONTRACTOR have entered into a contract for the construction
of _____ Contract No. _____

This agreement is made pursuant to the authority of Government Code Section 4590; its
purpose is to provide for the release to CONTRACTOR of sums which CITY otherwise would
be required to withhold from progress payment to CONTRACTOR. This agreement shall be
effective as the date of execution by the parties shown on Page 5.

In consideration of their mutual promises the parties hereto agree as follows:

CONTRACTOR agrees:

1. CONTRACTOR shall deliver initially to ESCROW AGENT, in accordance with the
provisions of Government Code Section 4590, either or both of the following forms of
security in the combined amount of not less than: \$. If less than 5% of the total contract
amount, CONTRACTOR shall deposit such additional securities as may be required in amounts
sufficient to comply with paragraphs 3 and 4 of Section I below.

(a) securities listed under Government Code Section 16430;

(b) certificates of deposit issued by banks authorized to transact business in
California which are members of the Federal Deposit Insurance Corporation, or
by savings and loan associations authorized to transact business in California
which are members of the Federal Savings and Loan Insurance Corporation.
Non-negotiable certificates of deposit shall be payable to the order of

(name of escrow agent)
as Trustee under their Escrow Agreement number _____.

2. Any certificates of deposit delivered by CONTRACTOR to ESCROW AGENT,
hereunder, shall be accompanied by evidence satisfactory to ESCROW AGENT that the
issuing bank or savings and loan company will honor any request for redemption prior to
maturity and that payment will be made to ESCROW AGENT without any rights of third

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parties being permitted to intervene.

3. CONTRACTOR shall maintain on deposit at all times prior to termination of escrow created by this agreement securities as specified in Section I Paragraph (b), above; or a combination of such securities and certificates of deposit having a market value of not less than the amount to be paid to CONTRACTOR under the terms of this agreement.

4. Upon demand of ESCROW AGENT, CONTRACTOR shall deposit with ESCROW AGENT additional securities as defined in Section I, Paragraphs 1 (a) and 1 (b), above, necessary to maintain said deposit as specified above.

5. CONTRACTOR shall pay all charges made by ESCROW AGENT for services rendered by it as such ESCROW AGENT, including but not limited to service fees and out-of-pocket expenses.

6. CONTRACTOR shall pay any escrow charges made by CITY for escrow services performed by CITY.

7. CONTRACTOR shall deposit with ESCROW AGENT such properly executed documents as, in the opinion of ESCROW AGENT, are necessary to enable ESCROW AGENT to sell deposited securities or to redeem certificates of deposit.

8. CONTRACTOR shall pay any and all costs incurred by CITY or ESCROW AGENT, including but not limited to reasonable attorney's fees, in any legal proceedings in any way arising out of or related to this escrow, including but not limited to legal proceedings challenging the right of CITY or ESCROW AGENT to possess or dispose of said securities.

9. CONTRACTOR agrees that CITY may direct ESCROW AGENT to sell securities or redeem certificates of deposit deposited with ESCROW AGENT under the terms of this CONTRACTOR'S default or failure to perform pursuant to the terms of the construction contract.

CITY agrees:

1. CITY shall pay to ESCROW AGENT, in accordance with established CITY procedures, funds which otherwise would be withheld from progress payments pursuant to the requirements of law and in accordance with the contract documents upon receipt of notice from ESCROW AGENT that the following are on deposit with ESCROW AGENT:

(a) securities in the form and amount specified in Section I, Paragraph 1, hereof;

(b) documents necessary to enable ESCROW AGENT to sell or redeem the deposited securities.

2. CITY shall be obligated to make such payments only if ESCROW AGENT holds securities deposited under the provisions of Section I, Paragraph 1, having a market value of not less than the total amount otherwise normally withheld from the progress

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payments to be paid to CONTRACTOR under this agreement.

ESCROW AGENT agrees:

1. ESCROW AGENT shall hold the securities or certificates of deposit in trust for the benefit of CITY until such time as the escrow created hereunder is terminated.
2. ESCROW AGENT shall obtain from CONTRACTOR such documents as in the opinion of ESCROW AGENT are necessary to enable ESCROW AGENT to sell the securities or to redeem the certificates of deposit deposited hereunder.
3. ESCROW AGENT shall review the market value of securities held in said escrow account monthly at the close of business on the first business day of each month.
4. ESCROW AGENT shall pay to CONTRACTOR moneys paid to ESCROW AGENT by CITY, except that in no event will ESCROW AGENT make any payment to CONTRACTOR if such payment will cause the total amount of payments so made to exceed the value of the securities on deposit with ESCROW AGENT as of the date of such payment.
5. ESCROW AGENT shall promptly, upon receipt of written notice from CITY to do so, sell securities or redeem certificates of deposit and hold proceeds of such sale or redemption for disbursement at the written direction of CITY.
6. ESCROW AGENT shall make no charge to CITY for any services or out-of-pocket expenses incurred in carrying out its duties and obligations under this agreement.
7. ESCROW AGENT shall hold securities as Trustee for CITY as security for payment of money which would otherwise be held by CITY pursuant to the requirements of law, and agrees that the rights of CITY to said securities are superior to any lien (or claim of lien) including but not limited to the right to sell or redeem securities as provided in Section I, Paragraph 8, hereof, which ESCROW AGENT claims or may in the future claim against said deposit.

ALL PARTIES hereto further agree that:

1. CONTRACTOR shall have the right to withdraw or exchange securities from the custody of ESCROW AGENT. Such withdrawal or exchange may be made only if the market value or, in the case of certificates of deposits, face value of securities deposited under the provisions of Section I, Paragraph 1, in the custody of ESCROW AGENT after such withdrawal or exchange equals not less than 100% of total amount paid to CONTRACTOR by ESCROW AGENT under this agreement. ESCROW AGENT shall notify CITY in writing of any such withdrawal or exchange within two business days of such withdrawal or exchange.
2. The total amount of funds to be released to CONTRACTOR pursuant to this escrow agreement, in lieu of being withheld by CITY from progress payments to CONTRACTOR, may be increased during the term of this agreement to 5% of the total contract amount if CONTRACTOR so elects. CONTRACTOR shall deliver to ESCROW

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AGENT securities as specified in Paragraph 1 having a market value not less than 5% of the total contract amount.

3. This escrow shall terminate and ESCROW AGENT shall return to CONTRACTOR all securities held in its custody promptly upon receipt of written notice from CITY that said securities may be released.

4. CONTRACTOR is the beneficial owner of said securities held by ESCROW AGENT and CONTRACTOR is entitled to receive any and all interest which may be paid thereon.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the _____ day of _____ 20____.

CITY OF SAUSALITO

By: _____
City Engineer

"CONTRACTOR"

(Name of Firm)

By: _____
Title: _____

ESCROW AGENT

(Name of Firm)

By: _____
Title: _____

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**APPENDIX A
ARTICLE 1.5**

Resolution of Construction Claims

[Added Stats 1994 ch 726 § 22 (AB 3069), effective September 21, 1994. Former Article 1.5, also entitled "Resolution of Construction Claims", consisting of §§ 20104-20104.8, was added Stats 1990 ch 1414 § 2 and repealed, operative January 1, 1994, by the terms of § 20104.8.]

Section

20104. Application of article; "Public work"; "Claim"

20104.2. Requirements to submit claim; Agency's response; Dispute by claimant over response; Failure of agency to respond; Inapplicability of article to tort claims

20104.4 Procedures to resolve claims

20104.6 Payment of portion of claim which is undisputed; Payment of interest on arbitration award or judgment

§ 20104. Application of Article; "Public work"; "Claim"

(a)(1) This article applies to all public works claims of three hundred seventy-five thousand dollars (\$375,000) or less which arise between a contractor and a local agency.

(2) This article shall not apply to any claims resulting from a contract between a contractor and a public agency when the public agency has elected to resolve any disputes pursuant to Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2.

(b)(1) "Public work" has the same meaning as in Sections 3100 and 3106 of the Civil Code, except that "public work" does not include any work or improvement contracted for by the state or the regents of the University of California.

(2) "Claim" means a separate demand by the contractor for (A) a time extension, (B), payment of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public work and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or © an amount the payment of which is disputed by the local agency.

(c) The provisions of this article or a summary thereof shall be set forth in the plans or specifications for any work which may give rise to a claim under this article.

(d) This article applies only to contracts entered into on or after January 1, 1991.

Added Stats 1994 ch 726 § 22 (AB 3069), effective September 21, 1994.

Former Sections:

Former § 20104, similar to the present section, was added Stats 1990 ch 1414 § 2 and repealed, operative January 1, 1994 by the terms of § 20104.8.

Former § 20104 was added Stats 1990 ch 321 § 2, effective July 16, 1990, and renumbered to be § 20103.5 by Stat 1990 ch 1414 § 1.

§ 20104.2. Requirements to submit claim; Agency's response; Dispute by claimant over response; failure of agency to respond; Inapplicability of article to tort claims

For any claim subject to this article, the following requirements apply:

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(a) The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing in this subdivision is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.

(b)(1) For claims less than fifty thousand dollars (\$50,000), the local agency shall respond in writing to any written claim within 45 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.

(2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.

(3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within 15 days after receipt of the further documentation or within a period of time no greater than that taken by the claimant in producing the additional information, whichever is greater.

(c)(1) For claims of over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000), the local agency shall respond in writing to all written claims within 60 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the local agency may have against the claimant.

(2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the local agency and the claimant.

(3) The local agency's written response to the claim, as further documented, shall be submitted to the claimant within 30 days after receipt of the further documentation, or within a period of time no greater than that taken by the claimant in producing the additional information or requested documentation, whichever is greater.

(d) If the claimant disputes the local agency's written response, or the local agency fails to respond within the time prescribed, the claimant may so notify the local agency, in writing, either within 15 days of receipt of the local agency's response or within 15 days of the local agency's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, the local agency shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(e) Following the meet and confer conference, if the claim or any portion remains in dispute, the claimant may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the claimant submits his or her written claim pursuant to subdivision (a) until the time that the claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.

(f) This article does not apply to tort claims and nothing in this article is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code

Added Stats 1994 ch 726 § 22 (AB 3069), effective September 21, 1994.

Former Sections:

Former § 20104.2, similar to the present section, was added Stats 1990 ch 1414 § 2, amended Stats 1991 ch 1029 § 1, and repealed, operative January 1, 1994, by the terms of § 20104.8.

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§ 20104.4. Procedures to resolve claims

The following procedures are established for all civil actions filed to resolve claims subject to this article:

(a) Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to nonbinding mediation unless waived by mutual stipulation of both parties. The

(b) mediation process shall provide for the selection within 15 days of both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both parties. If the parties fail to select a mediator within the 15 day period, any party may petition the court to appoint the mediator.

(b)(1) If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

(2) Notwithstanding any other provision of law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.

(3) In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of the trial de novo.

(c) The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.

Added Stats 1994 ch § 22 (AB 3069), effective September 21, 1994.

Former Sections:

Former § 20104.4 similar to present selection, was added Stats 1990 ch 1414 § 2, amended Stats 1991 ch 1029 § 2, and repealed, operative January 1, 1994, by the terms of § 20104.8.

§ 20104.8. [Section repealed 1993.]

Added Stats 1990 ch 1414 § 2 (AB 4165). Repealed, operative January 1, 1994, its own terms.

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