



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: David N. Carmany, City Manager

FROM: Jim Arndt, Director of Public Works
Steve Finton, City Engineer
Michael A. Guerrero, Principal Civil Engineer

DATE: June 7, 2011

SUBJECT: Consideration to Authorize the City Manager to Award a Construction Contract to All American Asphalt for the Pacific Avenue Resurfacing Project (\$654,654.00); and Award a Professional Engineering Services Contract to Willdan Engineering (\$48,080.00) for Construction Engineering and Inspection Services

RECOMMENDATION:

It is recommended that the City Council pass a motion to:

1. Authorize the City Manager to award a contract in the amount of \$654,654.00 to All American Asphalt for the Pacific Avenue Resurfacing Project and Authorize the City Manager to approve additional work in an amount not-to-exceed \$65,465.00 (10%);
2. Authorize the City Manager to execute a Professional Engineering Services contract with Willdan Engineering in an amount not-to-exceed \$48,080.00 for construction engineering/inspection services; and,
3. Appropriate City Gas Tax Funds in the amount of \$250,000.00 in addition to the existing \$543,749 Federal Stimulus Funding.

FISCAL IMPLICATION:

This project is funded with Federal Stimulus Funding provided through the American Recovery and Reinvestment Act (ARRA) Funds and City Gas Tax Funds. ARRA funds will be provided to the City on a reimbursement basis with no local match required. On November 3, 2010, City appropriated its balance of ARRA funds (\$543,749) to the Pacific Avenue Resurfacing Project. An additional appropriation in the amount of \$250,000 is required to cover the balance of funding needed. Additional City Gas Tax Funds are scheduled within the 2011-2012 Capital Improvement Plan, however, since the project contract is being awarded within the 2010-2011 fiscal year the Gas Tax Funds are recommended for appropriation at this time. Sufficient Gas Tax Fund reserves are available for the proposed appropriation. The following table indicates available funding, expected costs and anticipated balance for the project.

Budget	
Federal Stimulus Funds	\$543,749.00
Additional appropriation recommended Gas Tax Funds	\$250,000.00
TOTAL BUDGET	\$793,749.00
Expenditures	
Construction Contract (All American Asphalt)	\$654,654.00
Construction Contingency (10%)	\$ 65,465.00
Inspection Contract (Willdan)	\$ 48,080.00
Total Estimated Expenditures	\$768,199.00
Anticipated Balance Upon Completion	\$ 25,550.00

BACKGROUND:

Pacific Avenue from Manhattan Beach Boulevard to Rosecrans Avenue is deteriorated and requires resurfacing. The project generally includes cold milling of the existing asphalt roadway surface and construction of a new asphalt overlay. The project also includes full roadway reconstruction of significantly deteriorated areas, striping/traffic markings, traffic signal loops, and minor concrete construction. Since Pacific Avenue has a functional classification as a Major Local street it is eligible for federal funding.

Environmental Review

The California Environmental Quality Act (CEQA) requires public agency decision makers to document and consider the environmental implications of their actions. Based on the scope of work, the project is categorically exempt pursuant to Sections 15301, Class 1(c). A Notice of Exemption has been filed with the Los Angeles County Clerk’s office for the project.

DISCUSSION:

Bid Proposals

This project was advertised for bids in six construction industry publications. Subsequently, 20 sets of plans and specifications were provided to contractors, subcontractors and material suppliers. A total of seven competitive bids were received and opened on May 5, 2011. The bids ranged from the low bid of \$654,654.00 by All American Asphalt to the highest bid of \$709,105.00. All American Asphalt’s bid was reviewed by the Public Works Department and found to be responsive.

NO.	CONTRACTOR	BID AMOUNT
1.	All American Asphalt	\$654,654.00
2.	Sully Miller Contracting Co.	\$660,000.00
3.	Silvia Construction, Inc.	\$668,720.00
4.	Hardy and Harper, Inc.	\$678,000.00
5.	Bannaoun Engineers	\$690,305.00
6.	Shawnan	\$697,290.00
7.	Excel Paving	\$709,105.00
	Engineer’s Estimate	\$706,000.00

Representatives of agencies where work has been performed by All American Asphalt have indicated that the work performed was to their satisfaction. In addition, All American Asphalt was the contractor responsible for completion of the Manhattan Beach Boulevard Improvement Project, Peck Avenue Improvement Project, and most recently, the Highland Avenue Resurfacing Project. Staff was satisfied with the quality of work and attention to traffic control and residential concerns exhibited by All American Asphalt's construction personnel. The project was discussed with a representative of the firm and he expressed confidence in his bid and a desire to perform the work.

Project Schedule

Upon approval of the award of contract, City staff anticipates that construction will start at the end of June 2011. Construction is expected to last approximately seven weeks, however, the majority of work (cold milling existing asphalt roadway and construction of the new asphalt overlay) will be completed in ten working days.

Federal Process

The project is funded with American Recovery and Reinvestment Act (ARRA) Funds. These funds are being administered in California by the State of California Department of Transportation (Caltrans). Caltrans procedures must be used. These procedures are very similar to City procedures with the exception of additional administrative documentation, labor compliance activities and materials sampling and testing requirements. ARRA funds will be provided to the City on a reimbursement basis and no local match is required.

In compliance with Caltrans requirements, the City established a Disadvantaged Business Enterprises (DBE) utilization goal of 3% for federally funded projects. DBE requirements are satisfied if a good-faith effort is made by contractors and the City to utilize DBEs on a project. The Contractor made a good-faith effort to include DBE participation in their bid. Although the Contractor's bid includes a commitment to achieve 3.50% DBE utilization on the Pacific Avenue project, the DBE listed is a material supplier. Federal Highway Administration (FHWA) guidelines for DBE participation state that only 60% of the cost of supplies may be counted toward the DBE goal so that the Contractor's actual DBE utilization is 2.10%. However, since the project includes both Federal funds as well as City funds it is important to note that the Contractor's DBE utilization is 2.53% of the Federal funds. Although the Contractor's DBE utilization is below the City's goal, the Public Works Department has contacted the Contractor in order to solicit additional DBE participation for the project prior to the work commencing so that the City and Contractor can justify good-faith effort to achieve the City's DBE utilization goal.

Construction Engineering and Inspection Services (Willdan Engineering)

Previously, the City issued a Request for Proposals and developed a list of qualified inspection consultants to provide on-call construction inspection services, however, the agreements expired in February 2011. The City utilized the services of Willdan Engineering for the recently completed 2010-2011 Water Main Replacement Project that also included work along Pacific Avenue from Manhattan Beach Boulevard to Rosecrans Avenue. The Willdan construction management/inspection staff provided services to the satisfaction of the Public Works Department, is very familiar with the site specific requirements of the project and is familiar with residents' potential concerns. Staff recommends that the contract be awarded to Willdan Engineering due to their extensive local experience and demonstrated knowledge of the federal funding process. The recommended contract would be in the amount of \$48,080.00 and would provide the following services required to complete the projects in compliance with Caltrans

requirements:

- Federal funding compliance documentation including project start-up and close-out reports to Caltrans and maintaining project files in preparation for future federal audits.
- Compliance with Disadvantaged Business Enterprise (DBE) regulations.
- Construction engineering/construction inspection services including full-time inspectors to verify construction methods, traffic control and storm water pollution prevention are performed according to contract.
- Labor Compliance including verification that prevailing wages are paid to workers.
- Caltrans required materials sampling and testing including batch plant and field sampling and laboratory analysis of concrete and asphalt materials to verify compliance with specifications.

The recommended contract is for a not-to-exceed amount based on utilizing all 35 working days allowed under the construction contract for construction inspection services. Should the work be completed in fewer days than the construction contract then actual payment would be based on the actual hours worked by the consultant.

Public Notification

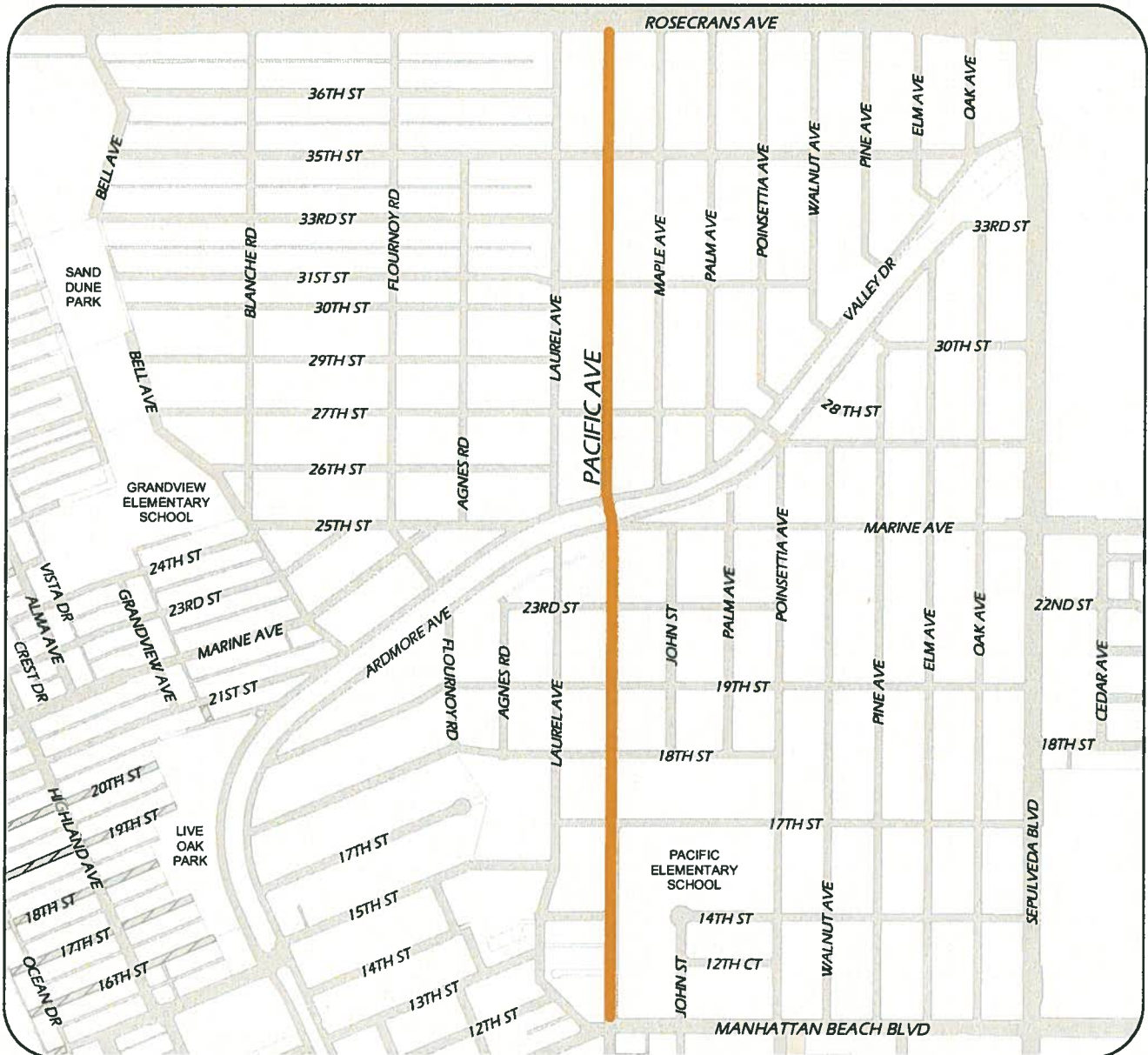
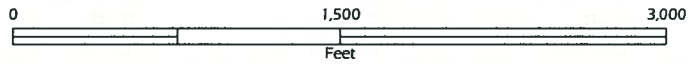
Staff will conduct a community meeting prior to the start of construction to inform residents of potential impacts and to hear resident concerns. Staff will issue weekly updates via email to keep residents apprised of project developments.

Attachments:

1. Map
2. Construction Contract with All American Asphalt
3. Professional Engineering Services contract with Willdan Engineering

xc: Henry Mitzner, Controller
Jeanne D. O'Brien, Accountant
Eden Serina, Budget Analyst

City of Manhattan Beach Pacific Ave Resurfacing Project



CITY OF MANHATTAN BEACH
A G R E E M E N T

THIS AGREEMENT, made and entered into this 7th day of June, 2011, by and between the CITY OF MANHATTAN BEACH, a municipal corporation, hereinafter referred to as "CITY" and All American Asphalt, hereinafter referred to as "CONTRACTOR". City and Contractor hereby agree as follows:

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City, and under the conditions expressed in the two bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the City, at his own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the Specifications to be furnished by said City, necessary to complete in a good, workmanlike and substantial manner the improvements for the:

Pacific Avenue Street Resurfacing Project (Manhattan Beach Blvd. to Marine Ave.), Project No. ESPL 5212 (007), per Plan No. P-896, Sheets 1 to 11, and the Specifications prepared thereof

in accordance with the specifications and Special Provisions therefor, and also in accordance with the Specifications entitled "Standard Specifications for Public Works Construction, Latest Edition" and all supplements thereto, which said Special Provisions and Standard Specifications are hereby specially referred to and by such reference made a part hereof.

Said work to be done as shown upon the following plans:

Plan No. P-896, Sheets 1 to 11

2. Said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and 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 the acts of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City of Manhattan Beach 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, and the whole thereof, in the manner and according to the Plans and Specifications, and requirements of the Engineer under them, to wit:

Total Cost: \$654,654.00

Total Cost In Writing: Six Hundred Fifty Four Thousand Six Hundred Fifty

Four Dollars and 00/100 cents

3. The complete contract consists of the following documents: This Agreement, Notice to Contractors, the accepted bid, the completed Plans, Specifications and detailed drawings, Performance Bond, Labor and Materials Bond, and Defective Materials, Workmanship and Equipment Bond.

All rights and obligations of City and Contractor are fully set forth and described in the contract documents.

All of the above named documents are intended to cooperate so that any work called for in one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

A G R E E M E N T
(Continued)

4. The said City hereby promises and agrees with the said Contractor to employ, and does hereby employ the said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

IN WITNESS WHEREOF, the City has by action of its City Council authorized this Agreement to be executed for and on behalf of the City by its Mayor and attested by its City Clerk, and the Contractor has caused the same to be executed by his duly authorized officer.

Contractor

By Robert Bradley
ROBERT BRADLEY Its VICE PRESIDENT

and

By Mark Luce
MARK LUCE Its SECRETARY

P.O. Box 2229
Address

CORONA, CA 92878-2229

ATTEST:

CITY OF MANHATTAN BEACH

City Clerk

City Manager

The foregoing agreement is hereby approved by me as to form

JA Cow
Public Works Approval SF

Paul D. Dole
City Attorney

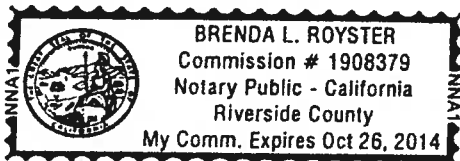
CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California

County of Riverside

On May 17, 2011 before me, Brenda L. Royster, Notary Public
Date Here Insert name and Title of the Officer

personally appeared Robert Bradley and Mark Luer
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Brenda L. Royster

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to person relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document Agreement - City of Manhattan Beach

Document Date: May 17, 2011 Number of Pages: 2

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: Robert Bradley

Individual

Corporate Officer - Title(s): Vice-President

Partner - Limited General

Attorney in Fact

Trustee

Other: _____

Signer is Representing:

All American Asphalt

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: Mark Luer

Individual

Corporate Officer - Title(s): Secretary

Partner - Limited General

Attorney in Fact

Trustee

Other: _____

Signer is Representing:

All American Asphalt

RIGHT THUMBPRINT OF SIGNER
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AGREEMENT

THIS AGREEMENT is made this 7th day of June, 2011 by the CITY OF MANHATTAN BEACH, a municipal corporation, ("CITY"), and (Willdan Engineering), a consultant, ("CONSULTANT").

RECITALS

The following recitals are a substantive part of this Agreement:

1. City is desirous of obtaining services necessary for
Construction Management Services for the Pacific Avenue Resurfacing Project
2. CONSULTANT is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement**. This Agreement shall terminate upon completion of Scope of Services, unless earlier terminated as provided below.
 - 1.1 **Termination**. CITY and CONSULTANT shall have the right to terminate this Agreement, without cause, by giving fifteen (15) days written notice. Upon receipt of a termination notice, CONSULTANT shall:
 - (1) promptly discontinue all services affected (unless the notice directs otherwise); and
 - (2) promptly deliver all data, reports, estimates, summaries, and such other information and materials as may have been accumulated by CONSULTANT in performing the Agreement to CITY, whether completed or in progress. CONSULTANT shall be entitled to reasonable compensation for the services it performs up to the date of termination.
2. **Services to be Provided**. The services to be provided hereunder shall be *those set forth in Exhibit "A", Scope of Work*, which is attached hereto and incorporated herein by this reference.

3. Compensation. CONSULTANT shall be compensated as follows:

3.1 Amount. Compensation under this Agreement shall not exceed

Forty Eight Thousand Eighty Dollars and 00/100 Cents (\$48,080.00)

3.2 Payment. For work under this Agreement, payment shall be made per monthly invoice. For extra work not a part of this Agreement, written authorization by CITY will be required, **[payment shall be based on hourly rates in Exhibit "A"].**

3.3 Expenses. CONSULTANT shall not be entitled to any additional compensation for expenses.

4. Professional Standards. CONSULTANT shall maintain or exceed the level of competency presently maintained by other similar practitioners in the State of California, for professional and technical soundness, accuracy and adequacy of all work, advice, and materials furnished under this Agreement.

5. Time of Performance. CONSULTANT shall complete all services required hereunder as and when directed by CITY. However, CITY in its sole discretion, may extend the time for performance of any service.

6. Employees and Subcontractors. CONSULTANT may, at CONSULTANT'S sole cost and expense, employ such other person(s) as may, in the opinion of CONSULTANT, be needed to comply with the terms of this Agreement, if such person(s) possess(es) the necessary qualifications to perform such services. If such person(s) is/are employed to perform a portion of the scope of work, the engagement of such person(s) shall be subject to the prior approval of the CITY.

7. Insurance Requirements.

7.1 Commencement of Work. CONSULTANT shall not commence work under this Agreement until it has obtained CITY approved insurance. Before beginning work hereunder, during the entire period of this Agreement, for any extensions hereto, and for periods after the end of this Agreement as indicated below, CONSULTANT must have and maintain in place, all of the insurance coverages required in this Section 7. CONSULTANT'S insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Section 7 and CONSULTANT shall be responsible to obtain evidence of insurance from each subcontractor and provide it to CITY before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

7.2 Coverages, Limits and Policy Requirements.
CONSULTANT shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93, including Symbol 1 (any auto) with no special limitations affecting the CITY. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-

renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. Employers Liability Insurance with a minimum limit of no less than one million dollars (\$1,000,000) per claim. The policy shall contain, or be endorsed to include, a waiver of subrogation in favor of CITY.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to CITY.

7.3 Additional Requirements. The procuring of such required policies of insurance shall not be construed to limit CONSULTANT'S liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against CITY for payment of premiums or other amounts with respect thereto. CITY shall notify CONSULTANT in writing of changes in the insurance requirements. If CONSULTANT does not deposit copies of acceptable insurance policies with CITY incorporating such changes within sixty (60) days of receipt of such notice, CONSULTANT shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by CITY. Any deductible exceeding an amount acceptable to CITY shall be subject to the following changes:

- (1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to CITY and its officials, employees and agents (with additional premium, if any, to be paid by CONSULTANT) ; or
- (2) CONSULTANT shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

7.4 Verification of Compliance. CONSULTANT shall furnish CITY with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, CONSULTANT shall deliver to CITY a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefor, or accompanied by other proof of payment satisfactory to CITY.

8. Non-Liability of Officials and Employees of the CITY. No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

9. Non-Discrimination. CONSULTANT covenants there shall be no discrimination based upon race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.

10. Independent Contractor. It is agreed that CONSULTANT shall act and be an independent contractor and not an agent or employee of CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.

11. Compliance with Law. CONSULTANT shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

12. Ownership of Work Product. All documents or other information created, developed or received by CONSULTANT shall, for purposes of copyright law, be deemed works made for hire for CITY by CONSULTANT as CITY'S employee(s) for hire and shall be the sole property of CITY. CONSULTANT shall provide CITY with copies of these items upon demand and in any event, upon termination or expiration of the term of this Agreement.

13. Conflict of Interest and Reporting. CONSULTANT shall at all times avoid conflict of interest, or appearance of conflict of interest, in performance of this Agreement.

14. Notices. All notices shall be personally delivered or mailed to the below listed addresses. These addresses shall be used for delivery of service of process.

a. Address of CONSULTANT is as follows:

Willdan Engineering
13191 Crossroads Parkway North
Suite 405
City of Industry, CA 91746

b. Address of CITY is as follows:

Michael A. Guerrero, Principal Civil Engineer
City of Manhattan Beach
1400 Highland Ave
Manhattan Beach, CA 90266

(with a copy to):

City Attorney
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

15. Consultant's Proposal. This Agreement shall include CONSULTANT'S proposal or bid which is incorporated herein. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

16. Licenses, Permits, and Fees. CONSULTANT shall obtain a Manhattan Beach Business License, all permits, and licenses as may be required by this Agreement.

17. Familiarity with Work. By executing this Agreement, CONSULTANT warrants that:

- (1) it has investigated the work to be performed;
- (2) it has investigated the site of the work and is aware of all conditions there; and
- (3) it understands the difficulties and restrictions of the work under this Agreement. Should CONSULTANT discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at CONSULTANT'S risk, until written instructions are received from CITY.

18. Time of Essence. Time is of the essence in the performance of this Agreement.

19. Limitations Upon Subcontracting and Assignment. Neither this Agreement, or any portion, shall be assigned by CONSULTANT without prior written consent of CITY.

20. Authority to Execute. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.

21. Indemnification. CONSULTANT agrees to indemnify, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of CONSULTANT'S negligence, willful misconduct or fraud in the performance of the Agreement by CONSULTANT, CONSULTANT'S agents, officers, employees, subcontractors, or independent contractor(s) hired by CONSULTANT. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

22. Modification. This Agreement constitutes the entire agreement between the parties and supersedes any other agreements, oral or written. No promises, other than those included in this Agreement, shall be valid. This Agreement may be modified only by a written agreement executed by CITY and CONSULTANT.

23. California Law. This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the appropriate branch of the Los Angeles County Municipal or Superior Court.

24. Interpretation. This Agreement shall be interpreted as though prepared by both parties.

25. Preservation of Agreement. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

26. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that representations by any party not embodied herein, and any other agreements, statements, or promises concerning the subject matter of this Agreement, not contained in this Agreement, shall not be valid and binding. Any modification of this Agreement will be effective only if it is in writing signed by the parties. Any issue with respect to the interpretation or construction of this Agreement are to be

should be construed against the drafter.

27. Attorneys' Fees. In the event that legal action is necessary to enforce the provisions of the Agreement, or to declare the rights of the parties hereunder, the parties agree that the prevailing party in the legal action shall be entitled to recover attorneys' fees and court costs from the opposing party.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the day and year first shown above.

CONSULTANT

By Chris Bacon
Deputy Cal and Inspection Services

CITY OF MANHATTAN BEACH

By _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Paul Doherty
City Attorney

[Signature]
Public Works Approval

April 28, 2011

Mr. Michael Guerrero
Civil Engineer
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

Subject: Proposal to Provide Construction Management Services for the
Pacific Avenue Resurfacing Project

Dear Mr. Guerrero:

Willdan Engineering (Willdan) is pleased to be given the opportunity to submit this proposal to provide construction management, construction observation, material testing, and federal labor compliance services for the Pacific Avenue Resurfacing Project.

It is our understanding that the project includes the milling and repaving of Pacific Avenue, between Manhattan Beach Boulevard and Rosecrans Avenue.

We also understand that the project is federally funded utilizing American Recovery and Reinvestment Act (ARRA) funds. Our extensive experience with federally-funded projects makes us particularly strong as a partner on this endeavor. Willdan has successfully provided federal compliance services on well over \$200 million dollars of federally funded projects. The same employees who provided those services will be serving in the same capacity on this project. Our proposal is based on a construction contract period of 35 working days.

SCOPE OF SERVICES

We propose to provide the following basic services for the project:

Contract Administration

1. Review and analyze bid results and prepare bid summary.
2. Verify contractor's references, bonding, insurance, and contractor's license.
3. Provide recommendation to award project.
4. Prepare special concerns to be presented at the preconstruction conference.
5. Conduct meeting and prepare preconstruction conference minutes and distribute to attendees.

6. Review Contractor's safety program in consultation with Agency staff.
7. Through Willdan's system of project control, monitor activities related to the project, such that the project is constructed pursuant to contract documents and in a timely fashion.
8. Log, track, and process submittals, Request for Information (RFIs), Request for Changes (RFCs), Contract Change Orders (CCOs), field directives, Notices of Potential Claim (NOPCs), Non-Conformance Reports (NCRs), construction schedule, and detailed traffic control plan.
9. Closely review schedule and advise contractor to take action on schedule slippage.
10. Closely monitor NPDES conformance.
11. Evaluate Contractor's requests for clarification of plans and specifications.
12. Perform quantity, time and cost analysis required for negotiation of contract changes.
13. Assist in negotiation and preparation of change orders.
14. Review for approval Contractor's progress payment requests.
15. Monitor preparation of punch list at substantial completion, and follow up.
16. Routinely review construction files to ensure conformance to agency standards and good construction management practice.
17. Provide Agency with as-built set at project completion.
18. Assist Agency with Stop Notices and Release of Retention.

Construction Observation

1. Review plans, specifications, and all other contract and construction related documents.
2. Conduct a field investigation of the project area to become familiar with the existing facilities and the project environment.
3. Become familiar with traffic control plans, construction schedule, construction sequence, and permit requirements from other agencies.
4. Provide full-time and as-needed construction observation of the work to monitor materials and methods toward compliance with plans, specifications, and contract documents; address and document non-conforming items as they are discovered.
5. Meet with the Contractor at the beginning of each day and review proposed work plans, including specific details that may affect progress.
6. Conduct daily measurements of quantities of work with the Contractor.

7. Review actual Contractor performance throughout the day and discuss discrepancies with the Contractor as they occur.
8. Maintain copies of all permits needed to construct the project and enforce special requirements of each.
9. Prepare and maintain detailed daily diary inspector reports on construction progress.
10. Prepare weekly statement of working days.
11. Maintain field file bound workbooks during construction, including a cumulative record of quantities constructed, daily and weekly reports, working day reports, change order documentation, photographs, and other documentation.
12. Provide complete measurements and calculations documented to administer progress payments.
13. Maintain and submit a clean set of plans marked in red for as-built corrections on record drawings to be filed with the Agency.
14. Schedule final inspection with the Agency; prepare, distribute, and inspect corrections to the final punch list for completion; recommend final acceptance.
15. Upon project completion, provide the finished set of project workbooks to the Agency.

Federal Labor Compliance

1. Attend preconstruction conference to present federal labor compliance requirements to contractor and subcontractors; prepare minutes and attendance record thereof.
2. Verify and document job-site posting of wage rate information and labor compliance posters.
3. Receive and review labor compliance documentation from public works observers and compare with contractor-submitted documents. Monitor weekly payroll documentation on a continuous basis, including certified payroll reports, fringe benefit statements, apprenticeship documentation, and payroll deduction authorizations.
4. Follow up with contractor by telephone and certified mail regarding required document submittals and payroll discrepancies.
5. Coordinate with Agency staff the withholding of progress and/or retention payments if contractor fails to abide by labor compliance requirements.
6. Receive, pursue, and document labor complaints; recommend special action to be taken if contractor continuously fails to comply with requests and requirements.
7. Maintain content and format of federal labor compliance file in conformance with applicable government requirements.

8. Coordinate project file reviews by authorized county, state, and federal agencies.
9. Submit complete federal labor compliance file to the Agency for retention. (Note: federal labor compliance files are to be retained for a period not less than three (3) years.).

Material Testing – Independent Quality Assurance Testing (See attached Exhibit A)

1. Provide material testing pursuant to the Caltrans Local Program Assistance Manual. It is our recommendation the City hire one consultant to provide testing services on the project and utilize Willdan's Geotechnical personnel to provide independent quality assurance testing to ensure the City's geotechnical consultant is meeting all the requirements of the local assistance procedures manual.

Material Testing

1. Provide material testing pursuant to the Caltrans Local Program Assistance Manual. Willdan's fee provides for field and plant inspection and is based on 3 days of asphalt paving

Caltrans Invoicing (Optional and not included in our fee)

2. Assist the City, if necessary, in preparing a resolution to execute the Program Supplement Agreement, and transmit the City-executed agreement and certified resolution to Caltrans (Sacramento) for their execution. City will provide copies of all previous submittals to Caltrans, environmental approval, E-76, Caltrans Finance Letter, and executed Program Supplement Agreement.
3. Send a copy of the Notice of Pre-construction Meeting to Caltrans.
4. Prepare the Award Cover Letter, Local Agency Contract Award Checklist (LAPM Exhibit 15-L), and Local Programs Agreement Checklist (LAPM Exhibit 4-A).
5. Prepare the Detail Estimate and Summary (LAPM Exhibit 15-M), and Finance Letter (LAPM Exhibit 15-N) based on the low bid.
6. Obtain from the contractor, the Local Agency Bidder – UDBE Commitment (Construction Contracts) - (LAPM Exhibit 15-G1) and Local Agency Bidder – DBE Information (Construction Contracts) - (LAPM Exhibit 15-G2) based on the low bid.
7. Prepare the Resident Engineer's Construction Contract Administration Checklist (LAPM Exhibit 15-B) to help the local agency with the administration of the Federal-aid project.
8. Submit to Caltrans DLAE item nos. 3 through 6 along with the following provided by the City: the engineer's final opinion of probable construction cost, contractor's bid, bid analysis, executed contract, and the as-advertised PS&E.
9. Prepare up to two (2) Progress Invoice (LAPM Exhibit 5-A) based on the contractor's contract progress reports, construction engineering consultant invoices, and design

consultant invoices and submit to Caltrans DLAE with the following items provided by the City: the City's invoice and copies of the contractor's contract progress report, construction engineering consultant invoices, and design consultant invoices.

10. Prepare the Federal Report of Expenditures Letter and the Report of Expenditures Checklist (LAPM Exhibit 17-A) based on the Statement of Working Days.
11. Prepare the Local Agency Final Inspection Form (LAPM Exhibit 17-C) to initiate Caltrans' job site review and verification of completion of the project.
12. Prepare the Materials Certificate (LAPM Exhibit 17-G) to show that the results of the tests on acceptance samples indicate that the materials incorporated in the construction work and construction operations controlled by sampling and testing were in conformity with the approved plans and specifications.
13. Prepare the Final Invoice (LAPM Exhibit 5-A), Final Detail Estimate and Summary (LAPM Exhibit 15-M), and Change Order Summary (LAPM Exhibit 17-E) based on the contractor's final contract progress report, construction engineering consultant final invoices, and design consultant final invoices provided by the City.
14. Submit to Caltrans DLAE item nos. 9 through 12 and attach the following items provided by the City: Local Assistance - Federal - Final Report -Utilization of DBE, First Tier Subcontractors (LAPM Exhibit 17-F), DBE Certification Status Change (LAPM Exhibit 17-O), contractor's final contract progress report, construction engineering consultant final invoices, and design consultant final invoices to initiate timely project closure and payment.
15. Include documents and submittals in a Federal Funding File and make a hard copy or PDF formatted file on a CD for the City.

FEE

We propose to provide the above construction observation services based on the following breakdown:

Supervision	\$3,500
Inspection (308 Hrs @ \$105)	\$29,260
Labor Compliance	\$5,500
Material Testing – Independent Quality Assurance Testing	\$1,345
Material Testing – Per Caltrans Requirements	\$6,375
Project Close-Out	\$2,100
Total Not-to-Exceed Fee	\$48,080

The personnel's hourly billing rate stated above includes a vehicle for use by our inspector, pager with local number, and other communication devices. Additional services required beyond the specified completion date will be provided on a time-and-material basis at Willdan's standard hourly rates.

The above schedule is for straight time. Overtime will be charged at 1.25 times the standard hourly rates. Sundays and holidays will be charged at 1.70 times the standard hourly rates.

Blueprinting, reproduction, messenger services, and printing will be invoiced at cost plus 15 percent.

A subconsultant management fee of 15 percent will be added to the direct cost of all subconsultant services to provide for the cost of administration, consultation, and coordination.

Two originals of this proposal are being submitted. Please indicate the City's approval and authorization to proceed by signing both originals and returning one to our office.

Thank you for the opportunity to be of service to the City of Manhattan Beach. We recognize the importance of this project to the City and are committed to realizing its timely and successful completion. Should you have any questions regarding this proposal, please contact Mr. Chris Baca at (562) 908-6296.

Respectfully submitted,

WILLDAN ENGINEERING



Chris Baca
Deputy Director of
Construction Management

Approval and Authorization to Proceed By:

City of Manhattan Beach

Signature

Date



GEO-ENVIRONMENTAL, INC.

Caltrans Certified
DBE Firm

May 4, 2011

Ross Khiabani, P.E. G.E.
President/CEO
WILLDAN Geotechnical
1515 South Sunkist Street, Suite E
Anaheim, California 92806

**Subject: Independent Assurance Testing Services (IA)
Pavement Overlay Project
City of Manhattan Beach, Los Angeles County, California**

GEI Proposal No. 11-046

Dear Mr. Khiabani:

In response to your request, Geo-Environmental, Inc. (GEI) is pleased to present this proposal to provide independent assurance testing services during the pavement overlay in the City of Manhattan Beach, County of Los Angeles, California. This proposal is in response to your e-mail sent yesterday, May 3, 2011. GEI proposes to conduct Independent Assurance (IA) to approve Certifications of Compliance in accordance with the City's Quality Assurance Program (QAP) to meet Federal requirements and California Department of Transportation (Caltrans) Local Assistance Procedures Manual (LAPM), Chapter 16 requirements.

1.0 SCOPE OF CONSULTING ENGINEERING SERVICES

GEI's services will conform to the Independent Assurance Program (IAP) for verification that material acceptance testing (AT) is being performed correctly by qualified testers. GEI's services will conform to the QAP, especially with respect to the frequency of required testing. GEI will ensure the project is constructed in accordance with the approved construction documents, City and/or State standards, and the latest edition of the American Public Works Association's (APWA's) "Standard Specifications for Public Works Construction" ("Green Book"), including supplements. GEI's material testing will conform to all Caltrans requirements, those of the LAPM, the Caltrans Construction Manual, and the contract documents.

1.1 FIELD OBSERVATIONS AND MATERIALS TESTING

Asphalt testing and inspection: GEI will review AC mix designs and provide assistance as requested with respect to qualifying the equipment and process of AC production for the Contractor prior to construction. GEI's Caltrans Certified Technician will inspect the placement of AC for pavement sections to ensure that construction is proceeding according to design. The

inspector will observe surfaces where AC is to be placed, the design mix, the hauling time from the batch plant to the job site, the segregation or loss of ingredients, the equipment used in conveying and depositing, the lay-down operation, field-density, and all other properties of AC per ASTM standards/specifications. GEI's services will include discussions with the Contractor to emphasize proper treatment of AC materials.

During the progress of our work, GEI's field staff will prepare daily field observation reports and progress pictures. A copy of the reports will be submitted to the City Inspector on a daily basis. The reports will include written summaries of the days' activities, materials and equipment used, summaries of all field-testing performed, and listings of outstanding failing tests that have not been reworked/retested. In addition, the locations of all field-density testing taken during the project will be plotted on a set of plans that is maintained by technicians. The Contractor will be asked not to place any material that does not meet project specifications. The testing time and the associated fees can be minimized by proficient and timely work by the Contractor and by coordination among the Project Superintendent, the City Inspector, and GEI engineers and technicians. *When a larger number of tests are scheduled at a time, greater efficiency can be achieved, resulting in lower overall fees. However, GEI's testing and inspection duration is totally dependent on the progress of work by the Contractor.*

The inspections, observations, and testing will be provided after the pregrade meeting and the commencement of construction activities, and will continue until all components associated with the improvements have been achieved in accordance with the project specifications. GEI's technicians will be present at the site when the inspections and materials testing are needed, and will spend an appropriate amount of time in the field commensurate with the testing requirements.

1.2 TECHNICAL MANAGEMENT

GEI's Staff Engineer or Staff Geologist will provide project coordination, technical support, and management during the project. This will include work scheduling and the review of the project geotechnical reports, plans, and specifications. The field compaction procedures will be evaluated and recommendations will be made where appropriate.

1.3 LETTER REPORT PREPARATION

If requested, GEI will prepare a final letter report that will summarize all of the work performed on the project. The report will include our observations during construction, results of our field and laboratory testing, and a conclusion as to the project's compliance with the contract plans and specifications. The report will include a chart showing the tests taken and shall include reference information (test number, approximate station, approximate depth, etc.), testing data (density, moisture, etc.), and qualitative information (pass/fail, retest number, etc.). One (1) color Portable Document Format (PDF) version of the final letter report will be submitted.

1.4 ASSOCIATED FEES

GEI will provide independent assurance testing services for the above referenced project in accordance with the estimated fee as presented in Table 1. GEI's field staff will be provided on an on-call basis with at least 24 hours notice, four (4) hour minimum charge per day. Travel time from GEI's headquarters in Irvine will be charged for every visit (within the four (4) hour minimum if applicable).

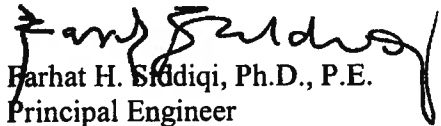
A flat fee will be charged for the preparation of the final report, which will include all work performed in the office by the Principal Engineer, Staff Engineer and Geologist, Drafter/CAD Operator, and clerks. The fee will not include the work performed in the field, which will be billed on an hourly rate as specified above. Costs for any additional reports required for this project will be negotiated with Willdan Geotechnical before preparation.

1.5 CLOSURE

We appreciate the opportunity to propose our services and look forward to working with Willdan Geotechnical on this project. If you have any questions regarding this proposal or need further information, please do not hesitate to contact the undersigned at (949) 263-8334, extension 22, or Mr. Roberto C. Flores at extension 28.

Very truly yours,

Geo-Environmental, Inc.


Farhat H. Siddiqi, Ph.D., P.E.
Principal Engineer

Attachments: Fee Estimate (Table 1)
2011 Standard Schedule of Hourly Rates



GEO-ENVIRONMENTAL, INC.

Caltrans Certified
DBE Firm

TABLE NO. 1 FEE ESTIMATE

Independent Assurance Testing Services
Proposed Manhattan Beach Pavement Overlay Project
GEI Proposal No. 11-046
Wednesday, May 04, 2011

	<u>Units (hrs.)</u>	<u>Unit Cost</u>	<u>Unit Total</u>	<u>Total</u>
1. Field Observation and Materials Testing				
<i>Asphalt Testing & Inspection</i>				
Caltrans Certified Technician (Prevailing Wage)*	8	\$100.00	\$800.00	
Vehicle and Equipment (Nuclear Gauge) [daily fee]	1	\$100.00	\$100.00	
				\$900.00
2. Technical Management/Field and Other Coordination Meetings				
Staff Engineer & Geologist	1	\$85.00	\$85.00	
				\$85.00
3. Summarization of Data/Data Analysis/Letter Report Preparation				
Principal Engineer & Geologist	1	\$155.00	\$155.00	
Staff Engineer & Geologist	1	\$85.00	\$85.00	
Drafter/CAD Operator	1	\$70.00	\$70.00	
Technical Word Processor	0	\$45.00	\$0.00	
Portable Document Format Color Report Production	1	\$50.00	\$50.00	
				\$360.00

* *Travel time and mobilization are included*

Estimated Total	\$ 1,345.00
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