



FINANCE COMMITTEE AGENDA

Tuesday, September 10, 2019

8:30 AM

Executive Conference Room, Level Three
Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

MEMBERS: Mayor Pro Tem Marty Simonoff and Council Member Cecilia Hupp
ALTERNATE: Mayor Christine Marick

Materials related to an item on this agenda submitted to the Finance Committee after distribution of the agenda packet are available for public inspection in the third floor lobby of the Civic and Cultural Center at 1 Civic Center Circle, Brea, CA during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

CALL TO ORDER / ROLL CALL

1. Matters from the Audience

CONSENT

2. Approval of Minutes of August 13, 2019 Meeting

Attachments

08-13-19 FC Minutes

DISCUSSION

3. Maintenance Agreement for the La Floresta Sewer Lift Station (Facility Process Solutions Consulting, LLC)

Attachments

Agreement

Exhibit A Proposal & Pricing

Exhibit B - Scope of Work

Approved COI & WOS

4. Lateral Police Officer Recruitment Bonus Incentive-Pilot Program

NOTE: This agenda is subject to amendments up to 72 hours prior to the meeting date.

5. Brea Line Newsletter Printing Services Contract

Attachments

Deluxe Branded Marketing Printing Agreement

6. Rejection of Bids and Authorize Staff to Rebid the Senior Center Kitchen Enhancements, CIP Project No. 7944
7. Schedule Next Meeting: September 24, 2019

cc: Council Member Glenn Parker
Council Member Steven Vargas

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

City of Brea

FINANCE COMMITTEE COMMUNICATION

FROM: Bill Gallardo

DATE: 09/10/2019

SUBJECT: Approval of Minutes of August 13, 2019 Meeting

Attachments

08-13-19 FC Minutes



FINANCE COMMITTEE MINUTES

**Tuesday, August 13, 2019
8:30 AM**

Executive Conference Room, Level Three
Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

CALL TO ORDER / ROLL CALL

ATTENDEES: Mayor Pro Tem Marty Simonoff, Council Member Cecilia Hupp, Chris Emeterio, David Crabtree, Tony Olmos, Cindy Russell, Bill Bowlus, Ron Krause, Faith Madrazo, Sean Matlock, Lee Squire, Alicia Brenner, Raymond Contreras, Anthony Godoy, Cliff Flaughner, Neil Groom, Linda Tang and Maribeth Tinio

OTHER ATTENDEES: Roger Alfaro (Eide Bailly LLP)

1. Matters from the Audience – *None*

CONSENT

2. Approval of Minutes of June 9, 2019 Meeting – *Approved.*

DISCUSSION

3. Consideration of a Professional Services Agreement with Karen Warner Associates Inc. (KMA) for the 2021-2029 Housing Element Update and Associated Environmental Needs – *Recommended for City Council Approval.*
4. Authorization to Rebuild Engine on 2012 Pierce Fire Pumper – *Recommended for City Council Approval.*
5. Annual Vehicles and Equipment Purchase Plan for Fiscal Year 2019-20 – *Recommended for City Council Approval.*
6. Fire Station No. 3 Roof Replacement Project 7941 – *Recommended for City Council Approval.*
7. Authorization to Relocate Signage and Install new Signage at Parking Structure Number 3 – *Recommended for City Council Approval.*
8. Software/Hardware Maintenance Support and Online Subscription Service Agreements – *Recommended for City Council Approval.*
9. Purchasing Activity under Special City Council Authorization: October 1, 2018 to June 30, 2019 – *Receive and file.*
10. Agreement with Avenu Insights & Analytics for Sales and Use Tax (SUTA) and Property Tax Audit, Analysis, Reports and Information Services – *Recommended for City Council Approval.*

11. Meeting with Eide Bailly LLP, (formally Vavrinek, Trine, Day & Co., LLP) Pursuant to Statement on Auditing Standards (SAS) No. 114 Regarding the Fiscal Year 2018/19 Annual Audit – *Receive and file*.
12. Schedule Next Meeting: Tuesday, August, 27, 2019

Meeting adjourned: 8:37 am

cc: Mayor Christine Marick
Council Member Glenn Parker
Council Member Steven Vargas

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 09/10/2019

SUBJECT: Maintenance Agreement for the La Floresta Sewer Lift Station (Facility Process Solutions Consulting, LLC)

RECOMMENDATION

1. Award Maintenance Agreement with Facility Process Solutions Consulting, LLC in the amount of \$28,136 for one (1) year and
2. Authorize the City Manager to approve up to four (4) additional one (1) year extensions.

BACKGROUND/DISCUSSION

For the past several years, Jamison Engineering has maintained the La Floresta sewer lift station. Jamison assumed maintenance responsibilities after the developer completed construction in 2014 and then entered into a maintenance agreement with the City after the City accepted the sewer lift station in 2017. The City Maintenance Agreement with Jamison was for a period of one year with up to (4) additional (1) year extensions. There was one extension granted in 2018 and the current term expired on August 31, 2019. Jamison has notified the City that they are declining to extend the maintenance agreement due to other priority jobs and would prefer to free up their resources. However, Jamison has agreed to maintain the lift station on a month-to-month basis until a replacement contractor is hired. Jamison has recommended Facility Process Solutions Consulting, LLC. (FPSC) as a replacement maintenance contractor, especially since FPSC has been assisting Jamison Engineering with the preventative maintenance on the La Floresta lift station since it was built by the developer in 2014.

City staff received a proposal from FPSC to maintain the lift station for an annual amount of \$28,136. This proposal provides for bi-weekly, bi-annual, and annual maintenance and servicing at the La Floresta sewer lift station. In 2017, service was reduced from the original weekly service to a monthly service to save on maintenance costs. Since the lift station was serviced less frequently, we realized some cleaning and flow issues in early 2018, which required additional servicing/flushing of the wells to keep the facility operating correctly. City staff and the contractor recommend increasing the monthly service to a biweekly service to help prevent any sewer stoppages or overflow issues, which is reflected in the proposal.

As part of the Jamison contract, City staff was provided with training on the sewer facility operations and we found that the level of specialized knowledge required to maintain the service pumps, wet-wells, compressor, generator, electrical system, SCADA system, sensors, and telemetry system is well beyond what would be practically expected of a City maintenance worker to perform in-house. Therefore, to keep the sewer lift station running at

optimal performance, staff recommends retaining Facility Process Solutions Consulting, LLC, under a new agreement to perform bi-weekly, bi-annual and annual maintenance of the specialized sewer lift station equipment. City staff will provide the weekly cleaning of the lift station area to minimize dust & debris from entering the equipment. It is more cost effective to procure services from a specialized contractor for these types of services than to certify our staff to achieve and maintain this high level of specialized expertise for work that amounts to only a portion of their overall workload.

SUMMARY/FISCAL IMPACT

The proposed maintenance agreement provides for bi-weekly, bi-annual, and annual maintenance and servicing at the La Floresta sewer lift station for an amount of \$28,136. In addition, provisions are made in the agreement to address emergency call-outs on a time and material basis, per the rate sheet provided in the proposal and Scope of Work. Finally, selecting Facility Process Solutions Consulting, LLC. provides a consistent and standardized approach to maintenance of the City's sewer lift stations because they are already familiar with their condition, understand the City's expectations and standards, and have a positive performance track record.

Cost of living adjustment shall not exceed 3% annually. The fee schedule in Exhibit A shall not be revised during the term of the Contract (including any extension periods) without prior approval by City Council. The cost for the contractor to provide specialized operation and maintenance is \$28,136 and will be covered by the Sewer Fund. There is no General Fund impact.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Will Wenz, Maintenance Superintendent

Concurrence: Tony Olmos, P.E., Public Works Director

Attachments

Agreement

Exhibit A Proposal & Pricing

Exhibit B - Scope of Work

Approved COI & WOS

AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS: That the following agreement is made and entered into, in duplicate, as of the date executed by the City Clerk and the Mayor, by and between **Facility Process Solutions Consulting, LLC**, hereinafter referred to as the "CONTRACTOR" and the City of Brea, California, hereinafter referred to as "CITY".

WHEREAS, CITY did accept the bid of CONTRACTOR **Facility Process Solutions Consulting, LLC**, and;

WHEREAS, CITY has authorized the City Clerk and Mayor to enter into a written contract with CONTRACTOR for furnishing labor, equipment, and material for **providing sewer lift station monthly, biannual, and annual maintenance and servicing at the La Floresta location.**

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed:

1. GENERAL SCOPE OF WORK: CONTRACTOR shall furnish all necessary labor, tools, materials, appliances, and equipment necessary to **provide the sewer lift station monthly, biannual, and annual maintenance and servicing at the La Floresta location, as required herein.** Said work shall be performed in accordance with specifications and standards on file in the office of the Director of Public Works and in accordance with bid prices hereinafter mentioned and in accordance with the instruction of the Director of Public Works for a period commencing:
September 1, 2019 through August 31, 2020.

The prices quoted by the CONTRACTOR shall be in effect until expiration of the Agreement on the date stated herein. The City and CONTRACTOR shall have the option of extending the term of the agreement, by mutual consent of the parties, four (4) times for periods of one year each.

2. INCORPORATED DOCUMENTS TO BE CONSIDERED COMPLEMENTARY:
The aforesaid specifications are incorporated herein by reference hereto and made a part hereof with like force and effect as if all of said documents were set forth in full herein. Said documents, the CONTRACTOR'S service quote #0122, dated August 20, 2019 attached hereto as Exhibit "A" and incorporated by reference herein, the executed labor, together with this written agreement, shall constitute the entire contract between the parties ("Contract" or "Agreement" herein). This Contract is intended to require complete and finished piece of work and anything necessary to complete the work properly and in accordance with the law and lawful governmental regulations shall be performed by the CONTRACTOR whether set out specifically in the Contract or not. Should it be ascertained that any inconsistency exists between the aforesaid documents and this Agreement, the provisions of this Agreement shall control.

3. CONTRACTOR'S CUSTOMER CARE: The CONTRACTOR, while fulfilling the terms of this Contract, is performing as a representative of CITY and shall provide exceptional Customer Care. Any negative contact with staff, residents/citizens, businesses, visitors or other contractors shall be reported by CONTRACTOR immediately to CITY. CONTRACTOR'S management and supervisory personnel shall intercede to resolve or mitigate the negative contact in conjunction with CITY staff. CITY and CONTRACTOR may agree in advance to a single person contact, a representative of the CITY or CONTRACTOR, for the investigation and response to complaints.

4. INSURANCE: The CONTRACTOR shall not commence work under this Contract until he has obtained all insurance required hereunder in a company or companies acceptable to CITY nor shall the CONTRACTOR allow any subcontractor to commence work on his subcontract until all insurance required of the subcontractor has been obtained. Any tort claims filed against the CITY related to the performance of this Contract and subsequently tendered to the CONTRACTOR shall be promptly investigated, and the resolution of such claims shall be promptly reported to the CITY.

The CONTRACTOR shall take out and maintain at all times during the life of this Contract the following policies of insurance:

a. Compensation Insurance: Before beginning work, the CONTRACTOR shall furnish to the Director of Public Works a certificate of insurance as proof that he has taken out full compensation insurance for all persons whom he may employ directly or through subcontractors in carrying out the work specified herein, in accordance with the laws of the State of California. Such insurance shall be maintained in full force and effect during the period covered by this Contract.

Further, such policy of insurance shall provide that the insurer waives all rights of subrogation against CITY and its elected officials, officers, employees and agents.

In accordance with the provisions of Section 3700 of the California Labor Code, every CONTRACTOR shall secure the payment of compensation to his employees. CONTRACTOR, prior to commencing work, shall sign and file with the CITY a certification as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of work of this contract."

b. For all operations of the CONTRACTOR or any subcontractor in performing the work provided for herein, insurance with the following minimum limits and coverage:

(1) Commercial General Liability (occurrence) – for bodily injury, death and property damage for products/completed operations and any and all other activities undertaken by the CONTRACTOR in the performance of this Agreement:

(2) Comprehensive Automobile Liability (occurrence) – for bodily injury, death and property damage insuring against all liability arising out of the use of any vehicle.

(3) Owner's and CONTRACTOR'S Protective (occurrence) – for bodily injury, death and property damage arising out of any activities undertaken by CONTRACTOR in the performance of this Agreement.

(4) Other required insurance, endorsements or exclusions as required by the plans and specifications.

(6) The policies of insurance required in this Section b shall have no less than the following limits of coverage:

(i) \$2,000,000 (Two Million Dollars) for bodily injury or death;

(ii) \$2,000,000 (One Million Dollars) for property damage;

(iii) The total of the limits specified in subsections (i) and (ii), above, where a combined single limit is provided.

c. Each such policy of insurance required in paragraph b shall:

(1) Be subject to no deductible amount unless otherwise provided, or approved in writing by CITY;

(2) Be issued by an insurance company approved in writing by CITY, which is admitted and licensed to do business in the State of California and which is rated A: VII or better according to the most recent A.M. Best Co. Rating Guide;

(3) Name as additional insured the CITY, its elected officials, officers, employees, attorneys and agents, and any other parties, including subcontractors, specified by CITY to be included;

(4) Specify that it acts as primary insurance and that no insurance held or owned by the designated additional insured shall be called upon to cover a loss under said policy;

(5) Specify that it applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability;

(6) Contain a clause substantially in the following words:

"It is hereby understood and agreed that this policy may not be canceled nor the amount of coverage thereof reduced until thirty (30) days after receipt by CITY of written notice of such cancellation or reduction of coverage as evidenced by receipt of a registered letter."

(7) Specify that any failure to comply with reporting or other provisions of the required policy, including breaches of warranty, shall not affect the coverage required to be provided;

(8) Specify that the insurer waives all rights of subrogation against any of the named additional insureds; and

(9) Specify that any and all costs of adjusting and/or defending any claim against any insured, including court costs and attorneys' fees, shall be paid in addition to and shall not deplete any policy limits.

(10) Otherwise be in form satisfactory to CITY.

d. Prior to commencing performance under this Agreement, the CONTRACTOR shall furnish the CITY with original endorsements, or copies of each required policy, effecting and evidencing the insurance coverage required by this Agreement. The endorsements shall be signed by a person authorized by the insurer(s) to bind coverage on its behalf. All endorsements or policies shall be received and approved by the CITY before CONTRACTOR commences performance. If performance of this Agreement shall extend beyond one (1) year, CONTRACTOR shall provide CITY with the required policies or endorsements evidencing renewal of the required policies of insurance prior to the expiration of any required policies of insurance.

5. PREVAILING WAGE: This is a public works contract. Notice is hereby given that in accordance with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, Articles 1 and 2, the CONTRACTOR is required to pay not less than the general prevailing rate of per diem wages for work of a similar character in locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work. In that regard, the Director of the Department of Industrial Relations of the State of California is required to and has determined such general prevailing rates of per diem wages. The applicable prevailing

rates can be found on the following website: <http://www.dir.ca.gov/OPRL/pwd/>. By initiating any work pursuant to this Agreement, the CONTRACTOR acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and the CONTRACTOR shall post such rates at each job site covered by Agreement. For every subcontractor who will perform work pursuant to this Agreement, the CONTRACTOR shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and the CONTRACTOR shall include in the written Contract between it and each subcontractor a copy of the provisions in this Section and a requirement that each subcontractor shall comply with those provisions. The CONTRACTOR shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay its workers the specified prevailing rate of wages. The CONTRACTOR shall diligently take action to halt or correct any failure.

To the maximum extent permitted by law, the CONTRACTOR shall indemnify, hold harmless and defend (at the CONTRACTOR's expense with counsel reasonably acceptable to the City) the City, its officials, officers, employees, agents and independent contractors serving in the role of City officials, and volunteers from and against any liability, demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to violation of any requirement set forth in Sections 5 through 8 of this Agreement, by any person (including the CONTRACTOR, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with this Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of the CONTRACTOR under this Section 5 shall survive expiration or termination of this Agreement.

Pursuant to Labor Code § 1775, the CONTRACTOR shall forfeit, as penalty to CITY, not more than fifty dollars (\$200.00) for each laborer, workman, or mechanic employed for each calendar day or portion thereof, if such laborer, workman, or mechanic is paid less than the general prevailing rate of wages hereinbefore stipulated for any work done under this Contract, by him or by any subcontractor under him, in violation of the provisions of the Labor Code.

6. APPRENTICESHIP EMPLOYMENT: In accordance with the provisions of Section 1777.5 of the Labor Code as amended by Chapter 971, Statutes of 1939, and in accordance with the regulations of the California Apprenticeship council, properly indentured apprentices may be employed in the prosecution of the work.

Attention is directed to the provisions in Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by the CONTRACTOR or any subcontractor under him.

Section 1777.5, as amended, requires the CONTRACTOR or subcontractor employing tradesmen in any apprenticeable occupation to apply to the joint apprenticeship committee nearest the site of the public works project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentice journeymen that will be used in the performance of the Contract. The ratio of apprentices to journeymen in such cases shall not be less than one to five except:

- a. When unemployment in the area of coverage by the joint apprenticeship committee has exceeded an average of 15 percent in the 90 days prior to the request for certificate, or
- b. When the number of apprentices in training in the area exceeds a ratio of one to five, or
- c. When the trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis statewide or locally, or
- d. When the CONTRACTOR provides evidence that he employs registered apprentices on all of his contracts on an annual average of not less than one apprentice to eight journeymen.

The CONTRACTOR is required to make contribution to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other contractors on the public works site are making such contributions.

The CONTRACTOR and subcontractor under him shall comply with the requirements of Sections 1777.5 and 1777.6 in the employment of apprentices.

Information relative to apprenticeship standards, wage schedules, and other requirements may be obtained from the Director of Industrial Relations, ex-officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

7. LEGAL HOURS OF WORK: Eight (8) hours of labor shall constitute a legal day's work for all workmen employed in the execution of this Contract, and the CONTRACTOR and any subcontractor under him shall comply with and be governed by the laws of the State of California having to do with working hours set forth in Division 2, Part 7, Chapter 1, Article 3 of the Labor Code of the State of California as amended.

The CONTRACTOR shall forfeit, as a penalty to CITY, twenty-five dollars (\$25.00) for each laborer, workman, or mechanic employed in the execution of the Contract, by him or any subcontractor under him, upon any of the work hereinbefore

mentioned, for each calendar day during which said laborer, workman, or mechanic is required or permitted to labor more than eight (8) hours in violation of said Labor Code.

8. COMPLIANCE WITH OTHER LABOR CODE PROVISIONS: The CONTRACTOR shall comply with and be bound by the provisions of Labor Code Section 1776, which requires the CONTRACTOR and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records. The CONTRACTOR has ten (10) days in which to comply subsequent to receipt of a written notice requesting these records, or as a penalty to the City, the CONTRACTOR shall forfeit one hundred dollars (\$100) for each day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due.

The CONTRACTOR shall not perform work with any subcontractor that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or State law providing for the debarment of contractors from public works. The CONTRACTOR and subcontractors shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or State law providing for the debarment of contractors from public works. If the CONTRACTOR or any subcontractor becomes debarred or suspended during the duration of the Project, the CONTRACTOR shall immediately notify the City.

In accordance with Labor Code Sections 1725.5 and 1771.1, no contractor or subcontractor shall be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Section 1725.

9. CONTRACTOR'S LIABILITY: The City of Brea and its officers, agents and employees shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work; or for injury or damage to any person or persons, either workmen, employees of the CONTRACTOR or his subcontractors or the public, or for damage to adjoining or other property from any cause whatsoever arising out of or in connection with the performance of the work. The CONTRACTOR shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever, except the sole negligence or willful misconduct of CITY, its employees, servants, or independent contractors who are directly responsible to CITY during the progress of the work or at any time before its completion and final acceptance.

The CONTRACTOR will indemnify, defend and hold the CITY, its elected officials, officers, employees, agents, and volunteers ("Indemnitees") harmless from any

and all actions, claims, damages to persons or property, penalties, obligations, and/or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision, or other organization arising out of or in connection with the work, operation, or activities of the CONTRACTOR, its agents, employees, subcontractors, or invitees provided for herein, whether or not there is concurrent passive or active negligence on the part of CITY, but excluding such actions, claims, damages to persons or property, penalties, obligations, or liabilities arising from the sole negligence or willful misconduct of any of the Indemnitees, and in connection therewith:

- a. The CONTRACTOR will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations, or liabilities and will pay all costs and expenses, including attorneys' fees incurred in connection therewith.
- b. The CONTRACTOR will promptly pay any judgment rendered against the CONTRACTOR or any Indemnatee covering such claims, damages, penalties, obligations, and liabilities arising out of or in connection with such work, operations, or activities of the CONTRACTOR hereunder, and the CONTRACTOR agrees to save and hold the Indemnitees harmless therefrom.
- c. In the event any Indemnatee is made a party to any action or proceeding filed or prosecuted against the CONTRACTOR for damages or other claims arising out of or in connection with the work, operation, or activities of the CONTRACTOR hereunder, the CONTRACTOR agrees to pay to such Indemnatee any and all costs and expenses incurred by the Indemnatee in such action or proceeding together with reasonable attorneys' fees.

So much of the money due to the CONTRACTOR under and by virtue of the Contract as shall be considered necessary by CITY may be retained by CITY until disposition has been made of such actions or claims for damage as aforesaid.

10. NON-DISCRIMINATION: No discrimination shall be made in the employment of persons upon public works because of the race, color, or religion of such persons, and every contractor for public works violating this section is subject to all the penalties imposed for a violation of Division 2, Part 7, Chapter 1 of the Labor Code in accordance with the provisions of Section 1735 of said Code.

11. CONTRACT PRICE AND PAYMENT: Contract Price is valued at \$28,136.00 annually. City shall pay to the CONTRACTOR for furnishing material and doing the prescribed work the unit price set forth in accordance with CONTRACTOR's proposal dated **August 20, 2019.**

12. LABOR AND MATERIALS BOND: Prior to commencing work hereunder, the CONTRACTOR shall provide a labor and materials bond in the amount of 100% of the Contract price herein. The payment bond shall remain in force until expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1741, and until the expiration of the time within which a joint labor management committee may commence an action against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1771.2.

13. NOTICES: All notices required or permitted here-under shall be deemed delivered to the party to whom notice is sent upon personal delivery thereof at the addresses set forth upon which said notice is placed, postage pre-paid, in the United States mail and addressed as follows:

CONTRACTOR: Ron Wade
Facility Process Solutions Consulting, LLC
19351 Fiji Ln
Huntington Beach, CA 92646

CITY: Director of Public Works
City of Brea
1 Civic Center Circle
Brea, CA 92821-5732

14. SUPERVISOR DESIGNATION: CONTRACTOR shall provide to CITY's Director of Public Works, upon execution of this Agreement, the name of the individual employed by CONTRACTOR designated as the CONTRACTOR'S primary representative for the supervision and prosecution of the work. Said designated person shall be available, upon 30 minutes notice, to respond personally or by telephone to requests for information or instructions concerning the prosecution of the work from CITY's authorized representatives.

15. CONTRACT RENEWAL NOTIFICATION: If this Agreement is subject to renewal, then the CONTRACTOR must request, in writing, at least thirty (30) days prior to the end of each year of the current Contract term, an extension of the Agreement and the CONTRACTOR's desire, if any, for an adjustment in the rates of compensation as set forth in paragraph 16 hereof.

16. CONTRACT PRICE ADJUSTMENT: During the second twelve (12) month period of the Agreement, if any, the Base Sum per month is subject to a cost-of-living adjustment (Stepped Up Base). The cost-of-living adjustment shall be set at the beginning of the second period adjustment date) in the following manner: The Consumer Price Index for all Urban Consumers (base year 1982-84 = 100) for the Los Angeles-Long Beach-Anaheim area published by the United States Department of Labor, Bureau of Statistics (Index) which is published for the month immediately preceding the adjustment date (Adjustment Index) shall be compared to the Index which was published for the date immediately preceding the beginning of the first twelve (12) month period (Beginning Index). If the Adjustment Index has increased over the Beginning Index, the monthly payment shall be increased by the amount obtained by multiplying the base sum by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Beginning Index. Cost of living adjustment shall not to exceed 3% annually. Rate Changes: The fee schedule in Exhibit A shall not be revised during the term of the Contract (including any extension periods) without prior approval by City's City Council.

17. TERMINATION OR ABANDONMENT: This Agreement may be terminated by CITY without cause, upon the giving of a written "Notice of Termination" to CONTRACTOR at least fifteen (15) days prior to the termination date specified in said notice. CONTRACTOR may terminate this Agreement only for cause. Termination of the Contract does not release CONTRACTOR from any and all claims, damages or other liability incurred during the Contract until CITY acknowledges such release.

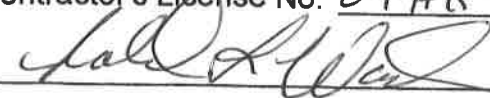
18. INTEGRATED AGREEMENT: This Contract and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between CITY and CONTRACTOR. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Contract

19. ATTORNEYS' FEES: In The event that any action or proceeding is brought by either party to enforce any term or provision of this Agreement, the prevailing party shall recover its reasonable attorneys' fees and costs incurred with respect thereto.


20. IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed with all the formalities required by law on the respective dates set forth opposite their signatures.

State of California

Contractor's License No. OTHB 4796 1000018861



Date: 8-21-2019

By:  CFO
Signature Title

(two corporate signatures required)

Contractor's Business Phone: 714-742-0829

Emergency phone where Contractor can be reached at any time: 714-742-0829

CITY OF BREA, CALIFORNIA

By: _____
Mayor

By: _____
City Clerk

Date: _____

Quote # 0122 REVISED

August 20, 2019

To: City of Brea Attention: Will Wenz

Reference: LaFloresta Sewage Lift Station Maintenance Annual Contract **Revision**

Dear Will,

We propose to provide maintenance and operation services for LaFloresta as in the past contracts for the sum of Twenty-Eight Thousand, One Hundred Thirty-Six Dollars, (\$28,136.00), including all applicable taxes.

Facility Process Solutions Consulting LLC (and our subcontractor Jamison Engineering) will supply professional services for the monitoring and upkeep of the LaFloresta Sewage Lift Station according to the following rate schedule;

- Monthly inspections and service: \$1,300.00 X 10 months = \$13,000.00
- Bi-Weekly Inspections and service: \$250.00 X 14 additional visits = \$3,500.00
- 1 Bi-Annual inspection and service: \$1,630.00
- 1 Annual inspection and service \$3,506.00
- Standby services on call \$125.00 per week X 52 = \$6,500.00
- Emergency call outs will be billed as Time and Materials with a 4-hour minimum with support from Jamison Engineering (with billing from their rate sheet) as required.
- Invoicing will continue to be submitted on a monthly basis with the monthly rounds report.
- These rates are for one year for September 1, 2019 through September 1, 2020.

Thank you for the opportunity to provide a proposal to you for the maintenance and operations services for LaFloresta Sewage Lift Station. This proposal and quote will remain firm for 30 days.

Please contact me at 714.742.0829 with any questions regarding this proposal.

Best regards,

Ron Wade

RATE SHEETS

Rates are effective for

9/01/2019 – 8/31/2020

	<u>ST</u>	<u>OT</u>	<u>DT</u>	
Craft/Laborer	93.00	118.00	141.50	Admin: 95.00/hr.
Craft/Leadsmen	103.00	128.00	161.50	Travel 35.00/hr.
Craft/Foremen	123.00	159.00	202.00	
Supervisor	150.00	169.00	212.00	
Project Manager	180.00	199.00	242.00	
Consultant	250.00			
Crane Operator	133.00	158.00	191.50	
Welder Fabricator	175.00	200.00	243.00	

EQUIPMENT RATES:

	<u>Hourly</u>
Crane	150.00
Combo Tool Truck	72.00
Mechanic's Truck	87.00
Ford Stake bed Truck	52.00
Dump Truck	97.00
Utility Truck (Pick up)	42.00
Confined Space Entry Equipment/SCBA	94.00
Trailer Mounted Manhole Blower	80.00

Water (Buffalo) Trailer	42.00	
Trailer Mounted Compressor w/ 30 & 90 lb. Jackhammers	50.00	
Welding Trailer	42.00	
26 KV Generator	37.00	
4" Pump: Submersible	37.00	
6" Pump: Submersible	48.00	
4" Discharge Hose	20.00/50 ft.	Minimum
6" Discharge Hose	40.00/50 ft.	Minimum
2" submersible Pump (electric)	15.00	
1-1/2" x 50' Flood Hose	19.00	Minimum
Garden Hose Pump	2.00	
Diaphragm Pump	14.00	
Concrete Saw (walk behind)	43.00	
Chain Saw	18.00	
Gas Power Cut-Off		
Demo Saw	19.00	
Chop Saw	49.00	Minimum
Vibe- Plate	20.00	
Rotor Hammer	14.00	
Wacker	22.00	
Power Puff	19.00	
Generator-small	14.00	
Transit	89.00	
Grade Level Laser	24.00	
Laser Level	72.00	Minimum
Line Unit	154.00	Minimum

Extension Ladder	22.00 (14'-36')	Minimum
Cement Mixer	18.00	
Porta Power	9.00	
Pole Hole Auger	17.00	
24' Confined Space/Office Trailer	225.00	Minimum
Car & Enclosed Utility Trailers	65.00	Minimum
Office Trailer	25.00	Minimum
Magnetic Base Drill	12.00	
Core Drill W/ 1 Bit	23.00	
Fire Monitor	14.00	
Canopy/EZ-Up	45.00	Minimum
6" GAS FLAP	88.00	-----
10" GAS FLAP	115.00	-----
Coveralls	9.00	Minimum
Gloves	2.00	Minimum

ALL JOBS ARE A 4 HOUR MINIMUM

NOTE: Rates **DO NOT** include travel charges, delivery charges, fuel charges or environmental charges.

All Materials, Rentals, Outside Services, Fuel, Permits, Licenses and Bonds will be
Cost + 15%.

SCOPE OF WORK

This proposal is based on servicing the Lift station every week, while replacing those services with monthly, bi-annual or annual services as required, which are more intensive than the weekly services, as shown below.

Item #	Description	QTY	Unit Price	Extension
1	Bi-Weekly Servicing (includes the following) : A: Check Amp Reading on Pumps #1 & #2 B: Check Operation of Level Indication Systems C; Check Alarm and Auto Dialer D: Check Compressor Operation E: Visual Inspection of Wet-Well F: Clean above ground area of Pump Station G: Inspect Surge Tank Pressure (incl. \$125.00 per week for on-call stand-by technician)			
2	Monthly Servicing (1 day per month) A: Check Amp Reading on Pumps #1 & #2 B: Check Operation of Level Indication Systems C; Check Alarm and Auto Dialer D: Check Compressor Operation E: Visual Inspection of Wet-Well F: Clean above ground area of Pump Station G: Inspect Surge Tank Pressure (incl. \$125.00 per week for on-call stand-by technician) <u>Monthly Service includes Weekly items plus the following</u> H: Start Generator for 20 Minutes I: Run and Check Flush Water J: Clean Dry Wells, if needed K: Operate Dry Well Sensors L: Check Fluid in Generator M: Check Fluids in Compressor N: Blow-down Compressor, Condenser Coils on Compressor O: Inspect and Rotate Impeller on Back-up Pump			
3	Bi-Annual Servicing A: Check Amp Reading on Pumps #1 & #2 B: Check Operation of Level Indication Systems C; Check Alarm and Auto Dialer D: Check Compressor Operation E: Visual Inspection of Wet-Well F: Clean above ground area of Pump Station G: Inspect Surge Tank Pressure (incl. \$125.00 per week for on-call stand-by technician) H: Start Generator for 20 Minutes I: Run and Check Flush Water J: Clean Dry Wells, if needed K: Operate Dry Well Sensors L: Check Fluid in Generator M: Check Fluids in Compressor N: Blow-down Compressor, Condenser Coils on Compressor O: Inspect and Rotate Impeller on Back-up Pump <u>Bi-Annual Service Includes Weekly and Monthly Items plus the following</u> P: Clean Wet-Well by Flushing with water Q: Remove each Pump for Visual Inspection and De-ragging R: Exercise all Discharge Valves at Pump Station			
4	Annual Servicing A: Check Amp Reading on Pumps #1 & #2 B: Check Operation of Level Indication Systems C; Check Alarm and Auto Dialer D: Check Compressor Operation E: Visual Inspection of Wet-Well F: Clean above ground area of Pump Station G: Inspect Surge Tank Pressure (incl. \$125.00 per week for on-call stand-by technician) H: Start Generator for 20 Minutes I: Run and Check Flush Water J: Clean Dry Wells, if needed K: Operate Dry Well Sensors L: Check Fluid in Generator M: Check Fluids in Compressor N: Blow-down Compressor, Condenser Coils on Compressor O: Inspect and Rotate Impeller on Back-up Pump P: Clean Wet-Well by Flushing with water Q: Remove each Pump for Visual Inspection and De-ragging R: Exercise all Discharge Valves at Pump Station <u>Annual Service Includes Weekly, Monthly and Bi-Annual Items plus the following</u> S: Service Air Compressor, 2 Oil Filters - 1 Separator and Change Oil T: Start Generator and run under full load. This will be performed by Caterpillar Service Technician. This will be billed on a Time & material Basis U: Cleaning and checking wiring and contacts in MC Panels			



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/08/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER WOOD GUTMANN & BOGART INS BKR/PHS 72186212 The Hartford Business Service Center 3600 Wiseman Blvd San Antonio, TX 78265		CONTACT NAME: PHONE (866) 467-8730 (A/C, No, Ext): FAX (888) 443-6112 (A/C, No): E-MAIL ADDRESS:	
INSURED FACILITY PROCESS SOLUTIONS CONSULTING, LLC 19351 FIJI LN HUNTINGTON BEACH CA 92646-3022		INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel Insurance Company Ltd. ✓ INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC# 11000	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/Y YYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY			72 SBA AM5072	07/02/2019	07/02/2020	EACH OCCURRENCE	\$2,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$1,000,000
	<input checked="" type="checkbox"/> General Liability						MED EXP (Any one person)	\$10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	\$2,000,000
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC						GENERAL AGGREGATE	\$4,000,000
	OTHER:						PRODUCTS - COMP/OP AGG	\$4,000,000
A	AUTOMOBILE LIABILITY			72 SBA AM5072	07/02/2019	07/02/2020	COMBINED SINGLE LIMIT (Ea accident)	\$2,000,000
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	
	<input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB EXCESS LIAB						EACH OCCURRENCE	
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						AGGREGATE	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						PER STATUTE	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				E.L. EACH ACCIDENT	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE -EA EMPLOYEE	
							E.L. DISEASE - POLICY LIMIT	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Those usual to the Insured's Operations. WAIVER OF SUBROGATION APPLIES IN FAVOR OF THE CITY OF BREA PER THE BUSINESS LIABILITY COVERAGE FORM SS0008 ATTACHED TO THIS POLICY

CERTIFICATE HOLDER

CITY OF BREA
1 CIVIC CENTER CIR
BREA CA 92821-5792

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Susan L. Castaneda

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City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members
FROM: John Burks
DATE: 09/10/2019
SUBJECT: Lateral Police Officer Recruitment Bonus Incentive-Pilot Program

RECOMMENDATION

Authorize lateral police officer recruitment incentive bonus pilot program to include payment of \$6,000 upon hire per lateral police officer, and the second \$6,000 would be paid upon successful completion of the required one-year probationary employment period, up to four officers within FY 2019-20.

BACKGROUND/DISCUSSION

Now more than any time in the recent past, the recruitment of Police Officers has become highly competitive as law enforcement agencies throughout southern California are competing for the same applicants, especially for pre-service police academy recruits. Although the Police Department and the City's Human Resources Division continue to proactively seek a large pool of pre-service candidates, another way to address applicant shortages and find a competitive advantage is to seek Lateral Police Officer applicants. These are current police officers at other law enforcement agencies who may be interested in seeking employment at a different agency. Often, lateral police officers are seeking new opportunities or may wish to re-locate for various reasons. Lateral Police Officers bring training and experience, and can be deployed into the field much more quickly than Police Recruits. They can also bring experience balance to the department.

In order to increase the City's attractiveness to potential Lateral Police Officers, the Police Department and the City's Human Resources Division have worked together to develop a pilot program to provide new Lateral Police Officers with a recruitment bonus. New Lateral Police Officers hired by the City after this program's approval by City Council will be eligible for a \$12,000 bonus, paid in two installments. The first \$6,000 would be paid upon hire, and the second \$6,000 would be paid upon successful completion of the required one-year probationary employment period.

SUMMARY/FISCAL IMPACT

The proposed funding allocation for this pilot program is \$48,000 spread over two fiscal years. \$24,000 will be allocated in FY 2019-20, enough for the hiring of up to four (4) Lateral Police Officers during that fiscal year. Due to salary savings within the FY 2019-20 budget, sufficient funds will exist to implement the pilot program. \$24,000 will be submitted for approval within the FY 2020-21 budget to pay the second installment for those Laterals should they successfully complete their probationary employment period.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: John Burks, Police Chief

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members
FROM: Bill Gallardo
DATE: 09/10/2019
SUBJECT: Brea Line Newsletter Printing Services Contract

RECOMMENDATION

1. Approve the Agreement with Deluxe Branded Marketing to provide Printing Services for the Brea Line newsletter in an amount not-to-exceed \$45,760 in year one.
2. Authorize the City Manager to issue up to four one-year extensions, as per contracted amount.

BACKGROUND/DISCUSSION

Over the past 40 years, the City's Communications & Marketing Division has designed a two-color newsletter in-house, printed externally, and distributed to every residential and business address in town, with the overruns available at City Hall and other public facilities. The current quantity printed is approximately 20,000 issues, six times per year. The *Brea Line* newsletter communicates important public information about City Council actions, development projects, public safety information, programs, upcoming special events and meetings, and City services. Additionally, the newsletter serves as the Community Services Department's recreation guide, promoting classes, programs and sports, realizing revenue offsets. *Brea Line* continues to be one of the top ways Brea residents obtain information about the city, according to the last scientific community satisfaction survey conducted during the Brea Envisions outreach in 2017. It is also the only consistent, informative publication currently mailed directly to Brea homes and businesses.

With the recent addition of a Public Information digital newsletter, *Brea On-line*, City staff recommends that the frequency of producing the printed *Brea Line* newsletter be reduced from six times per year to four times per year. This change would also better accommodate the Community Services Department's recreation programs scheduled seasonally. With the savings realized by reducing two issues annually (the cost of postage and printing), staff proposes to modernize the look and improve the effectiveness of *Brea Line* by printing in full color, as opposed to the two-color printing utilized for more than four decades. Aside from being the industry standard, four-color printing is also attention-grabbing, allows for better use of photos, and is digital-ready for other outreach purposes conducted by staff.

The Communications and Marketing Division developed the specifications and the scope of work, while the Purchasing Division solicited competitive proposals from qualified companies. Three companies submitted responses by May 21, 2019 deadline and staff began the evaluations immediately thereafter. Based on qualifications and a competitive price, staff selected Deluxe Branded Marketing that offered the best-value proposal.

Score	Company Name	First-Year Price*
96.98	Deluxe Branded Marketing, Pomona, CA	\$41,600
92.98	Dual Graphics, Brea, CA	\$47,600
0	California Senior Guide Inc., Riverside, CA	Non-responsive**

**Based on four (4) 28-page issues.*

***Unfortunately, California Senior Guide did not provide any of the required documents, samples, and information; therefore, their response was deemed non-responsive and not eligible for further evaluation or award consideration.*

The Agreement for this new printing contract has a one-year base period and up to four one-year renewal terms for a four-color version of *Brea Line*. Since the prices are fixed for each year of the contract, staff requests that City Council authorize the City Manager to exercise the renewal terms as long as the contractor's performance continues to meet Brea's requirements. Due to content and layout, the amount of pages per issue of the *Brea Line* newsletter tends to vary between 24 and 28 pages. Moving to four issues per year, we anticipate publishing more 28-page issues annually, and therefore recommend that the contract price be based off of that amount. Staff is also requesting to add a 10% contingency to cover fluctuations in print quantities. Currently, a quantity of 20,000 *Brea Lines* are printed for each issue. With anticipated population growth, we expect that quantity to increase within the next five years and would use the contingency to increase print quantities. The table below shows the not-to-exceed amount for the next five years based on printing 28-page issues, four times a year.

Deluxe Branded Marketing Not-to-Exceed Pricing for Years 1 – 5

Year	1	2	3	4	5
Contract Amount	\$41,600	\$44,000	\$45,600	\$48,000	\$50,400
10% Contingency	\$4,160	\$4,400	\$4,560	\$4,800	\$5,040
Total	\$45,760	\$48,400	\$50,160	\$52,800	\$55,440

SUMMARY/FISCAL IMPACT

Based on the results for the Request for Proposals, Staff is recommending approval of the agreement with Deluxe Branded Marketing to provide full-color printing services for the *Brea Line* newsletter four times per year.

The Fiscal Year 2019-20 Budget has sufficient funding available in the Management Services Public Information account (110-11-2111-1151). No additional appropriation is needed.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Liz Pharis, Senior Management Analyst; and
Neil Groom, Procurement and Contracts Administrator

Concurred by: Cindie Ryan, Public Information Officer; and
Cindy Russell, Administrative Services Director

Attachments

Deluxe Branded Marketing Printing Agreement

**AGREEMENT
PRINTING SERVICES**

THIS AGREEMENT ("Agreement") is effective on the date on which this Agreement is executed by the City of Brea, ("Effective Date"), and is between **Deluxe Branded Marketing**, ("CONTRACTOR") and the CITY OF BREA, a California municipal corporation ("CITY"). CONTRACTOR and CITY are sometimes referred to herein collectively as the "Parties" and singularly as "Party". The Parties agree as follows:

I. Agreement

- A. This Agreement, together with the following exhibits are incorporated herein by reference, and supersedes all prior agreements and understandings:

Exhibit A – Scope of Services/Specifications

Exhibit B – Compensation

Exhibit C – General Provisions

Exhibit D – Indemnity and Insurance Requirements

- B. This Agreement may be modified by written amendment executed by all parties.

II. Scope of Services Summary

CONTRACTOR shall, during the Term of the Agreement, provide **Brea Line – City Newsletters** as further set forth in Exhibit A, all to CITY's reasonable satisfaction (collectively, the "Services").

III. Term of the Agreement

- A. CONTRACTOR shall commence performance of Services on the date ***indicated in the notice to proceed issued by the City Project Manager.***
- B. AGREEMENT shall remain in full force and effect ***for one (1) year*** unless sooner terminated as set forth in the Termination subsection of Exhibit C ("Initial Term").
- C. AGREEMENT may ***be extended for four (4) additional years (each a "Renewal Term"), commencing upon the expiration of the preceding Term. CITY and CONTRACTOR may agree to extend this Agreement in writing, executed before the end of the Initial Term or Renewal Term, as applicable.***

IV. Compensation Summary

- A. CITY shall pay CONTRACTOR for satisfactorily and completely rendered Services according to prices and in the manner set forth in Exhibit B. Parties agree that full and complete payment for all Services shall not exceed ***\$41,600 for the Initial Term ("Contract Amount"). The Contract Amount for any exercised Renewal Term may be adjusted as set forth in Exhibit B. The City's Project Manager's is authorized to approve additional expenditures not to exceed 10% of the Contract Amount for additional as-needed quantities.*** The CITY shall have no obligation to pay any amount in excess of the foregoing amounts, unless agreed to in writing by the CITY.
- B. CONTRACTOR shall not render any services in excess of the Services described in Exhibit A ("Additional Services") without CITY's prior written approval. Any work performed without CITY's prior written approval shall be deemed to have been performed as part of the Services and included within the not-to-exceed Contract Amount.



V. Insurance Requirements Summary

- A. Contractor will not be performing any onsite work and will not be providing any professional or professional design services. As such, without limiting the Contractor's indemnity obligations, Contractor shall procure and maintain in full force and effect for the Term of this Agreement, the following coverages Commercial General Liability; Automobile Liability Insurance; Workers' Compensation Insurance.
- B. City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

VI. Notices and Designated Representatives

All notices made pursuant to this Agreement shall be in writing and deemed effectively given: (i) upon receipt, when delivered personally; (ii) one business day after deposit with an overnight courier service; or (iii) two business days after having been sent by registered or certified mail, whether or not a signed receipt is received, provided a proof of delivery is obtained. All communications shall be sent to:

CITY – Project Manager:
Cindie Ryan
Communications and Marketing Manger
1 Civic Center Circle
Brea, CA 92821
(714) 990-7673 phone
CindieR@CityofBrea.net

CITY – City Clerk (if over \$25,000):
Lillian Harris-Neal, MMC
City Clerk
1 Civic Center Circle
Brea, CA 92821
(714) 990-7757 phone
LillianHN@CityofBrea.net

CONTRACTOR:

Representative's Name	Kelley Kassounian
Title	Account Executive
Address, Suite#	3191 West Temple Ave, Suite 245
City, State, Zip	Pomona, CA 92768
Phone	909-99-6780
Email	Kelley.Kassounian@Deluxe.com

(SIGNATURES ON FOLLOWING PAGE)

Offer and Acceptance

I. OFFER made by Contractor to the City of Brea:

I, the undersigned, hereby represent and warrant that I am authorized to submit this Offer on behalf of and to bind the principals who I represent to all the requirements of the City of Brea's Terms & Conditions, Specifications, Scope or Work, any attachments, exhibits, amendments; and I offer and agree to those requirements at the prices set forth in Exhibit B-Compensation. Further, I understand that no contract exists unless City accepts this Offer by signing below.

Business Name: Deluxe Branded Marketing

Federal ID# 20-2945889

only for Public Works projects Contractor Lic.#: _____ DIR Reg#: _____

Business Type ☐ Individual/Sole Proprietor ☐ Partnership ☐ Limited Liability Company
(Contractor select one) ☐ Corporation (requires two signatures) ☐ Other

Address: 60 Bunsen

City, State, Zip: Irvine, CA 92618

Printed Name & Title: Kelley Kassounian, Account Executive

Phone & Email: 909-599-7680, Kelley.Kassounian@Deluxe.com

Signature(s):  Date: 05/21/19
(principal)

Signature(s):  Date: 05/21/19
(2nd Signature required if corp)

II. ACCEPTANCE of Offer by the City of Brea:

I, the undersigned, hereby represent and warrant that I am authorized to accept Offer on behalf of and to bind City of Brea and I accept the Offer accordingly. Contractor is now bound to furnish all requirements set forth in Contractor's Offer. Contractor is cautioned not to begin work until a written notice to proceed or purchase order is received from City.

City of Brea, a California Municipal Corporation

Mailing Address: 1 Civic Center Circle

City, State, Zip: Brea California 92821

Printed Name & Title: Christine Marick, Mayor

Authorized Signature: _____ Date _____

III. Attestation (if total contract value exceeds \$25,000 or \$200,000 for Public Works projects)

Printed Name & Title: Lillian Harris-Neal, City Clerk

Authorized Signature: _____ Date _____

EXHIBIT A
SCOPE OF WORK

I. Time of Performance

- A. **Commencement and Completion of Work.** The Services to be performed pursuant to this Agreement shall commence upon ***receipt of written notice to proceed from the City***. Failure to commence work in a timely manner and/or diligently pursue work to completion may be deemed to be a breach, resulting in termination of this Agreement.
- B. **Schedule.** After commencement of performance pursuant to paragraph A, above, the Services must be completed ***within ten (10) calendar days after receipt of art file from City***.
- C. **Excusable Delays.** Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations enacted after the Effective Date, riots, acts of war, or any other conditions beyond the reasonable control of a party.

II. Additional Services

- A. Additional Services are those services related to the scope of services of CONTRACTOR set forth in this Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when an Addendum to this Agreement authorizing the Additional Services is approved by CITY in accordance with CITY's purchasing procedures.
- B. CITY reserves the right to perform any work that would otherwise constitute Additional Services with its own staff or to retain other contractors to perform the Additional Services.

III. City Provisions

City will provide print ready art files only.

IV. Specifications

- A. **Paper:** 60# Smooth Book White for 2-color printed pages
80# Gloss Book White for the 4-color printed pages
- B. **Ink Colors:** Standard = 4-Color cover wrap, 2-Color interior pages.
Option = 4-Color throughout
- C. **Fall Issue** (printing by 1st week; in homes July 15)
- D. **Winter Issue** (printing by 1st week; in homes October 15)
- E. **Spring Issue** (printing by 1st week; in homes January 15)
- F. **Summer Issue** (printing by 1st week; in homes April 15)
- G. **Number of Pages:** varies from 20 pages; 24 pages; 28 pages and 32 pages.
- H. **Bindery:** Saddlestitch and trim to 8½" x 11" and bundled according to U.S. Postal Service regulations in stacks of 50.
- I. **Quantity:** 20,000 per issue

V. Scope of Services

A. General Requirements

1. This Scope of Services establishes the minimum requirements for providing these Services.
2. CONTRACTOR shall fully and timely provide all deliverables described herein in strict accordance with the terms and conditions of this Agreement and all applicable Federal, State, and local laws, rules, and regulations.
3. CONTRACTOR shall provide all labor, materials, equipment and mobilization to complete the services for the City.

B. Specific Requirements

1. **Pickup:** one hour pick up once In-Design file is ready
2. **Blueline required:** Max: 24 hours following receipt of file (overnight)
3. **Printing Turn-around Time:** (Printer-ready InDesign file will be supplied to printer. Artist uses Apple Computer. Desired turn-around time is: Five business days (printed, blueline approved and delivered to the post office) following receipt of the Adobe InDesign (14.01 2019) layout file from the City of Brea.
4. **Packing:** Majority quantity shall be palletized and shrink-wrapped onto U.S. Postal bulk mail pallets according to specifications of USPS. Remaining quantity shall be placed in cartons.
5. **Mailing/Delivery Service:** Creation of routing slips and delivery to the Anaheim Post Office; with printed quantity delivered to the Brea Community Center and to the Brea Civic & Cultural Center.

End of Exhibit A

**EXHIBIT B
COMPENSATION**

I. Total Compensation

- A. CONTRACTOR agrees to accept the specified compensation as set forth in this Agreement as full payment for satisfactorily performing all work, including furnishing all labor and materials required to fully and satisfactorily complete the Services to CITY's reasonable satisfaction. To the maximum extent permitted by law, CONTRACTOR assumes all risks related to its performance of the Services including risks of unforeseen difficulties or conditions which may arise or be encountered in the performance of the Services. CONTRACTOR shall only be compensated as set forth herein for work satisfactorily performed in accordance with the Scope of Work.
- B. **Contract Amount.** Full and complete payment for all Services shall not exceed **\$41,600.00 for the Initial Term. The Contract Amount for any exercised Renewal Term may be adjusted as set forth Attachment 1 to Exhibit B.**
- C. **The City's Project Manager's is authorized to approve additional expenditures not to exceed 10% of the Contract Amount for additional as-needed quantities.**
- D. **CITY shall have no obligation to pay any sum in excess of the Fixed Prices and/or Total Contract Amount unless authorized by in writing by the CITY.**

II. Prices and Expenses

- A. **Pricing.** CONTRACTOR shall be paid for the performance of Services on a fixed not-to-exceed prices indicated in Attachment 1 to Exhibit B of the Agreement.
 - 1. **All-inclusive Costs.** Costs include everything necessary to furnish all Scope of Services requirements including but not limited to management; labor; prep work; paper; blueprints; routing slips; applicable taxes and fees; pickup and delivery costs. Additional costs will be disallowed.
 - 2. **Sales Tax.** Sales tax does not apply to printed direct mail per State Bill 2527 and BOE regulation #1590.
 - 3. **Renewal Pricing.** Pricing is fixed for each one-year contract period. Provide manufacturer's documentation regarding any request for relief due to extraordinary increases in paper costs. Any subsequent decreases must be automatically reflected in the next issue.
- B. **Liquidated Damages.** **CONTRACTOR will be assessed Liquidated Damages of \$250 for each calendar day that in-home delivery is late. Repeated late deliveries may result in termination for cause.**

III. Manner of Payment and Accounting Requirements

- A. **Taxes**
 - 1. CONTRACTOR shall pay, when due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request.
 - 2. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section.



B. Payment Terms

1. CONTRACTOR shall submit invoices in arrears, after Services have been received. CITY will make payment in net 30 days after receipt of an undisputed invoice in a format acceptable to CITY. Invoices are subject to routine processing requirements. The responsibility for providing an acceptable invoice to CITY for payment rests with CONTRACTOR. Incomplete or incorrect invoices are not acceptable and will be returned to CONTRACTOR for correction.
2. Billing shall cover Services not previously invoiced. CONTRACTOR shall reimburse CITY for any monies paid to the Contractor for services not provided, or when services do not meet the contract requirements.
3. Payments made by the CITY shall not preclude the right of the CITY from thereafter disputing any items involved or billed under this contract and shall not be construed as acceptance of any part of the goods or services.

C. Invoices

1. CONTRACTOR will provide an invoice on the CONTRACTOR'S letterhead. Each invoice will have a unique number and must include:
 - a) Contractor's name and address
 - b) Contractor's remittance address, if different from above
 - c) Contractor's Taxpayer ID Number
 - d) Name of City Agency/Department
 - e) Delivery/service address
 - f) Contract number
 - g) Purchase Order (PO) number
 - h) Date of invoice
 - i) Description of Services/Goods
 - j) Sales tax, if applicable
 - k) Freight/delivery charges, if applicable
 - l) Total
2. Invoices and support documentation are to be forwarded to:
 - a) City of Brea
 - b) Accounts Payable
 - c) 1 Civic Center Circle
 - d) Brea CA 92821
 - e) City does not accept electronic invoices.
3. Accounting Records of CONTRACTOR
 - a) During performance of this Agreement and for a period of three (3) years after termination or expiration of this Agreement, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's reimbursable expenses, if any, in accordance with generally accepted accounting practices, and shall keep and make the records available for inspection and audit by representatives of the CITY upon reasonable written notice.

Attachment 1 to Exhibit B

Proposed Fixed Prices for Year 1

Item	Standard (4-Color + 2-Color Issue) 4-Color cover wrap (4- pages front and back covers; double sided); Two-color interior pages.	*Qty	Each Price	Total
01	BreaLine (20 page issue)	20,000	\$0.35	\$7,000.00
02	BreaLine (24 page issue)	20,000	\$0.40	\$8,000.00
03	BreaLine (28 page issue)	20,000	\$0.50	\$10,000.00
04	BreaLine (32 page issue)	20,000	\$0.53	\$10,600.00
A	Total Not-to-Exceed Price			\$35,600.00

Item	Option (4-Color + 4-Color Issue) 4-Color cover wrap (4- pages front and back covers; double sided); Four-color interior pages.	*Qty	Each Price	Total
05	BreaLine (20 page issue)	20,000	\$0.40	\$8,000.00
06	BreaLine (24 page issue)	20,000	\$0.44	\$8,800.00
07	BreaLine (28 page issue)	20,000	\$0.52	\$10,400.00
08	BreaLine (32 page issue)	20,000	\$0.55	\$11,000.00
B	Total Not-to-Exceed Price			\$38,200.00

* Quantities are estimate to assist in determining Contract Value

Proposed Fixed Prices for Year 1 through 5 (based on 20,000 per issue)

Standard	Year 1	Year 2	Year 3	Year 4	Year 5
BreaLine (20 page issue)	\$0.35	\$0.37	\$0.39	\$0.41	\$0.43
BreaLine (24 page issue)	\$0.40	\$0.42	\$0.44	\$0.46	\$0.49
BreaLine (28 page issue)	\$0.50	\$0.52	\$0.55	\$0.58	\$0.60
BreaLine (32 page issue)	\$0.53	\$0.56	\$0.59	\$0.62	\$0.65

Option	Year 1	Year 2	Year 3	Year 4	Year 5
BreaLine (20 page issue)	\$0.40	\$0.42	\$0.44	\$0.46	\$0.49
BreaLine (24 page issue)	\$0.44	\$0.46	\$0.48	\$0.50	\$0.53
BreaLine (28 page issue)	\$0.52	\$0.55	\$0.57	\$0.60	\$0.63
BreaLine (32 page issue)	\$0.55	\$0.58	\$0.61	\$0.64	\$0.67

End of Attachment 1

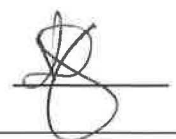


EXHIBIT C
GENERAL PROVISIONS

I. **Standard Requirements**

- A. **Assignment and Subcontracting.** To assignment of this Agreement or of any part or obligation of performance hereunder shall be made, nor shall any required performance be subcontracted, either in whole or in part, by CONTRACTOR without the prior written consent of CITY.
- B. **Compliance with Law.** CONTRACTOR shall forthwith undertake and complete the Services in accordance with Exhibit "A" attached to this Agreement and all in accordance with Federal, State and CITY statutes, regulations, ordinances and guidelines all to the reasonable satisfaction of CITY.
- C. **Confidentiality.** Any and all information and data provided to CONTRACTOR pursuant to this Agreement shall be forever maintained as confidential by CONTRACTOR, to the maximum extent permitted by law.
- D. **Standard of Care.** CONTRACTOR shall provide exceptional Standard of Care while fulfilling the terms of this Agreement, is performing as a representative of CITY. Any negative contact with staff, residents/citizens, businesses, visitors or other contractors shall be reported by CONTRACTOR immediately to CITY. CONTRACTOR's management and supervisory personnel shall intercede to resolve or mitigate the negative contact in conjunction with CITY staff. CITY and CONTRACTOR may agree in advance to a single person contact, a representative of either the CITY or CONTRACTOR, for the investigation and response to complaints.
- E. **Hires.** CONTRACTOR shall, at CONTRACTOR's sole cost and expense, secure and hire such other persons as may, in the opinion of CONTRACTOR, be necessary to comply with the terms of this Agreement. In the event any such other persons are retained by CONTRACTOR, CONTRACTOR hereby warrants that such persons shall be fully qualified to perform services required hereunder. CONTRACTOR further agrees that no subcontractor shall be retained by CONTRACTOR except upon the prior written approval of CITY.
- F. **Independent Contractor.** CONTRACTOR is retained by CITY only to the extent set forth in this Agreement, and the CONTRACTOR's relationship to the CITY is that of an independent contractor. CONTRACTOR shall be free to dispose of all portions of CONTRACTOR's time and activities which CONTRACTOR is not obligated to devote to the CITY in such a manner and to such persons, firms, or corporations as the CONTRACTOR sees fit except as expressly provided in this Agreement. Neither the CITY nor any of its agents shall have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees, except as set forth in this Agreement. CONTRACTOR shall not have the status of an employee under this Agreement, or be entitled to participate in any insurance, medical care, vacation, sick leave or other benefits provided for CITY's officers or employees. CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of CITY or otherwise act on behalf of the CITY as an agent. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY. CONTRACTOR agrees to pay all required taxes on amounts paid to CONTRACTOR under this Agreement, and to indemnify and

hold CITY harmless from any and all taxes, assessments, penalties, and interest asserted against CITY by reason of the independent contractor relationship created by this Agreement. CONTRACTOR shall fully comply with the workers' compensation law regarding CONTRACTOR and CONTRACTOR's employees. CONTRACTOR further agrees to indemnify and hold CITY harmless from any failure of CONTRACTOR to comply with applicable workers' compensation laws. CITY shall have the right to offset against the amount of any fees due to CONTRACTOR under this Agreement any amount due to CITY from CONTRACTOR as a result of CONTRACTOR's failure to promptly pay to CITY any reimbursement or indemnification arising under this Section.

- G. **Information and Assistance.** CITY will provide information and assistance as set forth in Exhibit "A" hereto; photographically reproducible copies of maps and other information, if available, which CONTRACTOR considers necessary in order to complete the Project. Such information as is generally available from CITY files applicable to the Project. Assistance, if necessary, in obtaining information from other governmental agencies and/or private parties. However, it shall be CONTRACTOR's responsibility to make all initial contact with respect to the gathering of such information.
- H. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for any legal action arising out this Agreement shall be the Superior Court of the County of Orange, California.
- I. **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 no representation by any party which is not embodied herein nor any other agreement, statement, or promise not contained in this Agreement shall be valid and binding. Any modification of this Agreement shall be effective only if it is in writing signed by all parties.
- J. **Precedence of Documents.** In the event of any inconsistency or conflict between the Agreement and any of the Exhibits or any other attachments, the Agreement, then this Exhibit C, then the remaining Exhibits and attachments shall govern.
- K. **Termination.** This Agreement may be terminated by CITY for any or no reason upon the giving of a written notice of termination to CONTRACTOR at least fifteen (15) days prior to the date of termination specified in said notice. In the event this Agreement is so terminated, and provided CONTRACTOR is not then in breach, CONTRACTOR shall be paid on a pro-rata basis with respect to the percentage of the Services satisfactorily completed or goods satisfactorily provided as of the date of termination. In no event, however, shall CONTRACTOR receive more than the Contract Amount. CONTRACTOR shall provide to CITY any and all Work Product including all documents, data, studies, surveys, drawings, maps, models, photographs and reports, whether in draft or final form, prepared by CONTRACTOR as of the date of termination. CONTRACTOR may not terminate this Agreement except for cause.

End of Exhibit C

EXHIBIT D
INDEMNITY AND INSURANCE REQUIREMENTS

I. Indemnity Requirements

- A. **Indemnity for General Services.** To the fullest extent permitted by law, CONTRACTOR shall, at its sole cost and expense, protect, defend, hold harmless and indemnify the CITY, its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those CITY agents serving as independent contractors in the role of CITY officials (collectively "Indemnitees" in this Section) from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, judgments, penalties, liens and losses of any nature whatsoever, including fees of accountants, attorneys and other professionals, and all costs associated therewith, and the payment of all consequential damages (collectively "Damages"), in law or equity, whether actual, alleged or threatened, which arise out of, pertain to, or relate to the acts or omissions of CONTRACTOR, its officers, agents, servants, employees, subcontractors, materialmen, suppliers, or contractors, or their officers, agents, servants or employees (or any entity or individual that CONTRACTOR shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Damages arising from the sole negligence or willful misconduct of the Indemnitees, as determined by final arbitration or court decision or by the agreement of the Parties. CONTRACTOR shall defend the Indemnitees in any action or actions filed in connection with any Damages with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. CONTRACTOR shall reimburse the Indemnitees for any and all legal expenses and costs incurred by the Indemnitees in connection therewith.
- B. These Indemnification provisions are independent of and shall not in any way be limited by Insurance Requirements of this Agreement.

II. Insurance Requirements

- A. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
- B. Without limiting the Contractor's indemnity obligations hereunder, Contractor shall procure and maintain in full force and effect for the Term of this Agreement, the following coverages Commercial General Liability; Automobile Liability Insurance; Workers' Compensation Insurance.
- C. City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

End of Exhibit D

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Yvonne Lopez

DATE: 09/10/2019

SUBJECT: Rejection of Bids and Authorize Staff to Rebid the Senior Center Kitchen Enhancements, CIP Project No. 7944

RECOMMENDATION

Reject all bids and direct City Clerk to return all bid bonds and authorize staff to re-advertise for bids.

BACKGROUND/DISCUSSION

Over the past two years, the City has secured a series of Community Development Block Grants (CDBG) to renovate the Brea Senior Center Kitchen, including a new design, purchase of new equipment and construction. The goal of this project is to proactively address the growing need for senior nutrition services in our community by creating a space prepared to accommodate an increase in participation and volunteerism.

The first phase of this project, which included creating a new design and purchasing new equipment, has been completed. Staff is now in the process of implementing the second phase of the project – construction.

On August 23, 2019, staff received four bids for construction, summarized in Table1 – Bid Summary below. Subsequent to the bid opening, staff reviewed the apparent low bid, as well as the next lowest bidder's proposals with respect to conformance with the proposal requirements and to identify any bid irregularities.

Table 1 – Bid Summary

Contractor	Bid Amount
1. Harbor Coating and Restoration	\$429,000
2. iBuild Spectrum, Inc.	\$538,000
3. R. Dependable Construction, Inc.	\$800,000
4. Dalke & Sons Construction, Inc.	\$886,890

The Engineer's Estimate within the approved CIP Budget for this Project is \$350,000.

Upon review of the bids received, it became apparent to staff that the plans and specifications were unclear about what equipment was to be furnished by the City and by the Contractor respectively, and bidders had included the purchase of kitchen equipment already in the City's possession in their bid amounts. This accounts for a surplus of approximately \$160,000 in each bidder's proposal.

After consultation with the City Attorney with respect to the need for the plans and specifications to be re-clarified, staff is recommending that the City Council reject all bids, return all bid bonds and re-advertise the project. If approved, staff will re-bid the project with an anticipated bid opening of October 21, and a tentative award on November 5. Construction should commence in mid-November.

SUMMARY/FISCAL IMPACT

If City Council approves rejecting all bids and re-advertising the project, all funds are anticipated to be covered by 2018/19 and 2019/20 CDBG funds. There is no General Fund impact.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Michael Ho, P.E., Deputy Director of Public Works/City Engineer; and
Jenn Colacion, Management Analyst

Concurrence: Tony Olmos, P.E., Public Works Director; and
Chris Emeterio, Assistant City Manager
