

PUBLIC WORK CONSTRUCTION CONTRACT

This Public Work Construction contract ("Contract") is made and entered into this 21st day of February, 2017, by and between the City of Redlands, a municipal corporation, organized and existing under the laws of the State of California (hereinafter "City"), and Best Contracting Services, Inc. hereinafter ("Contractor"). City and Contractor are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

In consideration of the mutual promises contained herein, City and Contractor agree as follows:

1. **SCOPE OF WORK:** Contractor shall furnish all materials and will perform all of the work for the following: Roofing replacement at Fire Stations 262 and 263; Roofing repairs at Fire Station 261 as required by the Contract Documents (as herein defined) and Specifications for the Fire Station 261, 262, 263 Roofing Project (the "Work").
2. **CONTRACT SUM:** City shall pay Contractor the sum of One Hundred Seventy Seven Thousand Five Hundred Fifty One Dollars and Twenty Cents (\$177,551.20) as consideration for its performance of the Work in accordance with the terms and conditions set forth in the Contract Documents. Pursuant to Public Contract Code Section 22300, Contractor has the option to deposit securities with an escrow agent as a substitute for retention of earnings required to be withheld by City pursuant to an escrow agreement as set forth in Public Contract Code section 22300.
3. **TIME FOR COMPLETION:** The Work shall be completed within One Hundred Twenty (120) calendar days from and after the date of the delivery to Contractor of the Notice to Proceed by City.
4. **LIQUIDATED DAMAGES:** Contractor's failure to complete the Work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. Accordingly, Contractor shall pay to City, or have withheld from monies due to Contractor, the sum of Five Hundred Dollars (\$500) for each consecutive calendar day in excess of the specified time for completion of the Work.

Execution of this Contract shall constitute agreement by City and Contractor that Five Hundred Dollars (\$500) per day is the estimated damage to City caused by the failure of the Contractor to complete the work within the allowed time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due the Contractor if such delay occurs.

5. **CONTRACT DOCUMENTS:** This Contract incorporates by reference the following: Notice Inviting Bids, Instructions to Bidders, Contractor's Proposal, Bid Bond, Agreement Performance, Labor and Material Bond, Plans, General Conditions, Special Provisions and Specifications, and any addenda thereto (collectively the "Contract Documents").
6. **ATTORNEYS' FEES:** In the event any legal action is commenced to enforce or interpret the terms or conditions of the Contract Documents, the prevailing Party in such action, in addition to any costs and other relief, shall be entitled to recover its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

7. **RESOLUTION OF CONSTRUCTION CLAIMS:** Any claims by Contractor in the amount of Three Hundred Seventy Five Thousand Dollars (\$375,000) or less shall be made by Contractor and processed by the City pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contracts Code (commencing with Section 20104). All claims shall be in writing and include the documents necessary to substantiate the claim. Nothing in Public Contracts Code Section 20104.2 shall extend the time limit or supersede the notice requirements provided for the filing of claims by Contractor.
8. **ELIGIBILITY OF CONTRACTOR/SUBCONTRACTOR:** Contractor and all of its subcontractors shall abide by Public Contract Code Section 6109 and Labor Code sections 1777.1 and/or 1777.7, and certify that they are not debarred and are eligible to perform the Work.
9. **ASSIGNMENT OF AGREEMENT:** No assignment by Contractor of any rights or interests under this Contract shall be binding on the City without the prior written consent of the City.
10. **SUCCESSORS AND ASSIGNS:** City and Contractor each binds itself and their respective successors and assigns in respect to all covenants, agreements, and obligations contained in the Contract Documents.
11. **SEVERABILITY:** Any provision or part of the Contract Documents held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract the day and year first written above.

City of Redlands

(SEAL)

By: _____
Paul W. Foster, Mayor

ATTEST:

Jeanne Donaldson, City Clerk

(SEAL)

Best Contracting Services, Inc.

By: _____
Signature of Authorized Agent

Title

Signature of Authorized Agent (if necessary)

Title

Contractor's License No.

WORKER'S COMPENSATION INSURANCE CERTIFICATION

Description of Contract:

Every employer, except the State, shall secure the payment of compensation in one or more of the following ways:

- a. By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this State.
- b. By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

CHECK ONE

_____ I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work and activities required or permitted under this Agreement. (Labor Code §1861).

_____ I affirm that at all times, in performing the work and activities required or permitted under this Agreement, I shall not employ any person in any manner such that I become subject to the workers' compensation laws of California. However, at any time, if I employ any person such that I become subject to the workers' compensation laws of California, immediately I shall provide the City with a certificate of consent to self-insure, or a certification of workers' compensation insurance.

I certify under penalty of perjury under the laws of the State of California that the information and representations made in this certificate are true and correct.

Dated this _____ day of _____, 2017.

(Contractor)

(Signature)

(Official Title)

(SEAL)

(Labor Code Section 1861 provides that the above certificate must be signed and filed by the Contractor with the Owner prior to performing the work of the contract.)

FAITHFUL PERFORMANCE BOND

Whereas, the City of Redlands ("City"), State of California, and Best Contracting Services, Inc. (hereinafter designated as "Principal") have entered into an agreement dated February 21, 2017, ("Agreement") whereby Principal agrees to install and complete certain public improvements (the "Work"), which said Agreement is identified as Fire Station 261, 262, 263 Roofing Project and is hereby referred to and made a part hereof; and

Whereas, said Principal is required under the terms of the Agreement to furnish a bond for the faithful performance of the Agreement, now, therefore, we, the Principal and Best Contracting Services, Inc., as Surety, are held and firmly bound unto the City in the penal sum of One Hundred Seventy Seven Thousand Five Hundred Fifty One Dollars and Twenty Cents (\$177,551.20) lawful money of the United States, for the payment of which sum we bind ourselves, and our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Agreement and any alteration thereof made as therein provided, on his or its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall faithfully fulfill the one-year guarantee of all materials and workmanship, and shall defend, indemnify and save harmless the City and its elected officials, officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the City in successfully enforcing such obligations, all to be taxed as costs and included in the judgment rendered.

As a condition precedent to the satisfactory completion of the Agreement, the above obligation shall hold good for a period of one (1) year or longer if required by the Agreement after the acceptance of the work by the City, during which time if the Principal shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage made evident during this period from the date of completion of the Work, and resulting from or caused by defective materials or faulty workmanship, the above obligation in penal sum thereof shall remain in full force and effect. The obligations of Surety hereunder shall continue so long as any obligation of the Principal remains.

Whenever the Principal shall be, and is declared by the City to be, in default under the Agreement, the City having performed the City obligations thereunder, the Surety shall promptly remedy the default, or shall promptly, at the City's option:

1. Complete the Agreement in accordance with its terms and conditions; or
2. Obtain a bid or bids for completing the Agreement in accordance with its terms and conditions, and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a contract between such bidder and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Work less the balance of the Agreement price, but not exceeding, including other costs and damages for which Surety may be liable hereunder, the amount set forth above. The term "balance of the Agreement price," as used in this paragraph, shall mean the total amount payable to the Principal by the City under the Agreement and any modifications thereto, less the amount previously properly paid by the City to the Principal.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Principal.

Surety shall not utilize the Principal in completing the Agreement nor shall Surety accept a bid from the Principal for completion of the Work if the City, when declaring the Principal in default, notifies Surety of the City's objection to the Principal's further participation in the completion of the Work.

No right of action shall accrue on the bond to or for the use of any person or corporation other than the City named herein or the successors or assigns of the City. Any suit under this bond must be instituted within the applicable statute of limitations period.

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

No final settlement between the City and the Principal shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

The Principal and Surety agree that if the City is required to engage the services of any attorney in connection with the enforcement of this bond, each shall pay the City's reasonable attorneys' fees incurred, with or without suit, in addition to the above sum.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on _____, 2017.

(SEAL)

(Contractor)

(Signature)

(SEAL)

(Surety)
BY: _____
(Signature)

Address: _____

Telephone () _____

(Seal and Notarial Acknowledgment of Surety)

LABOR AND MATERIAL BOND

Whereas, the City Council of the City of Redlands, State of California, and Best Contracting Services, Inc. (hereinafter designated as “Principal”) have entered into an agreement (the “Agreement”) whereby Principal agrees to install and complete certain designated public improvements (the “Work”), which said agreement, dated February 21, 2017, and identified as **Fire Station 261, 262, 263 Roofing Project** hereby referred to and made a part hereof; and

Whereas, under the terms of the Agreement, Principal is required before commencing the performance of the Work, to file a good and sufficient Labor and Material bond with the City of Redlands to secure the claims to which reference is made in Title 3 (commencing with Section 9550) of Part 6 of Division 4 of the Civil Code of the State of California.

Now, therefore, said Principal and the undersigned as corporate surety, are held firmly bound unto the City and all contractors, subcontractors, laborers, material men and other persons employed in the performance of the Agreement and referred to in the aforesaid Code of Civil Procedure in the sum of One Hundred Seventy Seven Thousand Five Hundred Fifty One Dollars and Twenty Cents (\$177,551.20) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys’ fees, incurred by the City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 3 (commencing with Section 9550) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on _____, 201__.

(SEAL)

(Contractor)

(Signature)

(SEAL)

(Surety)
BY: _____
(Signature)

Address:

(Seal and Notarial Acknowledgment of Surety)

Telephone() _____