



## LEMOORE UNION HIGH SCHOOL DISTRICT

5 Powell Ave., Lemoore CA, 93245

**To:** Lemoore Union High School District Board of Trustees  
**From:** Mark Howard  
**Date:** February 8, 2018  
**Subject:** Contract Award – T-5 Remodel

### Background:

The District Office received **four (4)** proposals in response to the T-5 Remodel bid package. The award is based on low bidder and the pricing was received as follows:

<b>Contractor</b>	<b>Bid Price</b>	<b>Add Alt #1: Window Replacement</b>
MARKO CONSTRUCTION GROUP	<b>\$1,018,000.00</b>	\$63,000.00
J.I. GARCIA CONSTRUCTION	\$1,028,000.00	\$65,000.00
SEQUOIA CONSTRUCTION	\$1,068,500.00	\$78,000.00
BUSH CONSTRUCTION	\$1,441,000.00	\$81,660.00

The pricing received was **significantly above (44%)** the Architects estimate for this portion of the project. However, based on the competitive bid pricing received, MARKO CONSTRUCTION GROUP's bid appears to be fair and reasonable. The District shall provide authorization to proceed immediately with ordering Long Lead Time Materials and establishing subcontracts. Actual construction is scheduled to begin on June 4, 2018, after the school year has ended.

### Financial Impact:

This project shall be funded in full by local GO Bond funds. No impact to the General Fund. Due to the project being over-budget, the District does not recommend adding the replacement of the exterior windows to the contracted scope of work.

### Recommendation:

Approve contract award to **MARKO CONSTRUCTION GROUP, INC.** based on being the lowest responsive and responsible bidder.

**AGREEMENT FORM**

**THIS AGREEMENT**, entered into this **9th** day of **February 2018** in the County of **Kings** of the State of California, by and between the Lemoore Union High School District, hereinafter called the "Owner" or the "LUHSD", and **MARKO CONSTRUCTION GROUP, INC.**, hereinafter called the "Contractor".

**WITNESSETH** that the Owner and the Contractor for the consideration stated herein agree as follows:

**ARTICLE I - SCOPE OF WORK:** The Contractor shall furnish all labor, materials, equipment, tools, and utility and transportation services, and perform and complete all work required in connection with **T-5 Modernization** in strict accordance with the Contract Documents enumerated in Article 7 below. The Contractor shall be liable to the LUHSD for any damages arising as a result of a failure to comply with that obligation, and the Contractor shall not be excused with respect to any failure to so comply by an act or omission of the Architect, Engineer, Inspector, Division of the State Architect (DSA), or representative of any of them, unless such act or omission actually prevents the Contractor from fully complying with the Contract Documents and the Contractor protests, in accordance with the Contract Documents, that the act or omission is preventing the Contractor from fully complying with the Contract Documents. Such protest shall not be effective unless reduced to writing and filed with the LUHSD office within seven (7) days of the date of occurrence of such act or omission preventing the Contractor from fully complying with the Contract Documents.

**ARTICLE 2 - TIME OF COMPLETION:** The Owner may give notice to proceed within ninety (90) days of the award of the bid by the Owner. Once the Contractor has received a notice to proceed, the Contractor shall reach Substantial Completion (See Article 1.1.46) of the Work by **August 22, 2018** with work starting on **April 5, 2018. April 5, 2018 to June 3, 2018**, shall be allotted for submittal/shop drawing review and procurement of equipment/materials/subcontracts. Access to project site will not be allowed during this time period. **June 4, 2018 to August 22, 2018** shall be allotted for construction. This shall be called Contract Time. (See Article 8.1.1). It is expressly understood that time is of the essence.

Contractor has thoroughly studied the Project and has satisfied itself that the time period for this Project is adequate for the timely and proper completion of the Project within the Contract time.

In the event that the Owner desires to postpone giving the notice to proceed beyond this ninety (90) day period, it is expressly understood that with reasonable notice to the Contractor, giving the notice to proceed may be postponed by the Owner. It is further expressly understood by the Contractor, that the Contractor shall not be entitled to any claim of additional compensation as a result of the Owner's postponement of giving the notice to proceed.

If the Contractor believes that a postponement will cause hardship to it, the Contractor may terminate the Contract with written notice to the Owner within ten (10) days after receipt by the Contractor of the Owner's notice of postponement. It is further understood by the Contractor that in the event that the Contractor terminates the Contract as a result of postponement by the Owner, the Owner shall only be obligated to pay the Contractor for the work performed by the Contractor at the time of notification of postponement. Should the Contractor terminate the Contract as a result of a notice of postponement, the LUHSD shall have the authority to award the Contract to the next lowest responsible bidder.

**ARTICLE 3 - LIQUIDATED DAMAGES:** It being impracticable and infeasible to determine the amount of actual damage, it is agreed that the Contractor will pay the Owner the sum of **five hundred Dollars (\$500.00)** per calendar day for each and every day of delay beyond the Contract Time set forth in Article 2 of this Agreement as liquidated damages and not as a penalty or forfeiture. In the event Liquidated Damages are not paid, the Contractor further agrees that the Owner may deduct such amount thereof from any money due or that may become due the Contractor under the Contract (See Article 9.6 and 2.2 of the General Conditions).

**ARTICLE 4 - CONTRACT PRICE:** The Owner shall pay to the Contractor as full consideration for the faithful performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, the sum of **One Million eighteen thousand DOLLARS (\$1,018,000.00)**, said sum being the total amount stipulated in the Bid Contractor submitted. Payment shall be made as set forth in the General Conditions. Progress payment retention shall be at a rate of **5%**.

Should any Change Order result in an increase in the Contract Price, the cost of such Change Order shall be agreed to in advance by the Contractor and the Owner, subject to the monetary limitations set forth in Public Contract Code Section 20118.4. In the event that the Contractor proceeds with a Change in work without an agreement between the Owner and Contractor regarding the cost of a Change Order, the Contractor waives any Claim of additional compensation for such additional work.

**ARTICLE 5 - HOLD HARMLESS AGREEMENT:** Contractor shall defend, indemnify and hold harmless Owner, Architect, Inspector, the State of California and their officers, employees, agents and independent contractors from all liabilities, claims, actions, liens, judgments, demands, damages, losses, costs or expenses of any kind arising from death, personal injury, property damage or other cause based or asserted upon any act, omission, or breach connected with or arising from the progress of Work or performance of service under this Agreement or the Contract Documents. As part of this indemnity, Contractor shall protect and defend, at its own expense, Owner, Architect, Construction Manager, Inspector, the State of California and their

officers, employees, agents and independent contractors from any legal action including attorney's fees or other proceeding based upon such act, omission, breach or as otherwise required by this Article.

Furthermore, Contractor agrees to and does hereby defend, indemnify and hold harmless Owner, Architect, Construction Manager, Inspector, the State of California and their officers, employees, agents and independent contractors from every claim or demand made, and every liability, loss, damage, expense or attorney's fees of any nature whatsoever, which may be incurred by reason of:

(a) Liability for (1) death or bodily injury to persons; (2) damage or injury to, loss (including theft), or loss of use of, any property; (3) any failure or alleged failure to comply with any provision of law or the Contract Documents; or (4) any other loss, damage or expense, sustained by any person, firm or corporation or in connection with the Work called for in this Agreement or the Contract Documents, except for liability resulting from the sole or active negligence, or the willful misconduct of the Owner.

(b) Any bodily injury to or death of persons or damage to property caused by any act, omission or breach of Contractor or any person, firm or corporation employed by Contractor, either directly or by independent contract, including all damages or injury to or death of persons, loss (including theft) or loss of use of any property, sustained by any person, firm or corporation, including the Owner, arising out of or in any way connected with Work covered by this Agreement or the Contract Documents, whether said injury or damage occurs either on or off Owner property, but not for any loss, injury, death or damages caused by the sole or active negligence or willful misconduct of the Owner.

(c) Any dispute between Contractor and Contractor's subcontractors/supplies/ Sureties, including, but not limited to, any failure or alleged failure of the Contractor (or any person hired or employed directly or indirectly by the Contractor) to pay any Subcontractor or Materialman or any tier or any other person employed in connection with the Work and/or filing of any stop notice or mechanic's lien claims.

Contractor, at its own expense, cost, and risk, shall defend any and all claims, actions, suits, or other proceedings that may be brought or instituted against the Owner, its officers, agents or employees, on account of or founded upon any cause, damage, or injury identified herein Article 5 and shall pay or satisfy any judgment that may be rendered against the Owner, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

The Contractor's and Subcontractors' obligation to defend, indemnify and hold harmless the Owner, Architect, Inspector, the State of California and their officers, employees, agents and independent contractors hereunder shall include, without limitation, any and all claims, damages, and costs for the following: (1) any damages or injury to or death of any person, and damage or injury to, loss (including theft), or loss of use of, any property; (2) breach of any warranty, express or implied; (3) failure of the Contractor or Subcontractors to comply with any applicable governmental law, rule, regulation, or other requirement; (4) products installed in or used in connection with the Work; and (5) any claims of violation of the Americans with Disabilities Act ("ADA").

**ARTICLE 6 - PROVISIONS REQUIRED BY LAW:** Each and every provision of law and clause required to be inserted in this Contract shall be deemed to be inserted herein, and this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not inserted correctly, then upon application of either party the Contract shall forthwith be physically amended to make such insertion or correction.

**ARTICLE 7 - COMPONENT PARTS OF THE CONTRACT:** The Contract entered into by this Agreement consists of the following Contract Documents, all of which are component parts of the Contract as if herein set out in full or attached hereto:

- Notice Inviting Bids
- Instructions to Bidders
- Designation of Subcontractors
- Non-Collusion Declaration
- Bid Bond
- Bid Form
- Contractor's Certificate Regarding Worker's Compensation Agreement Form
- Payment Bond
- Performance Bond
- Guarantee
- Escrow Agreement for Security Deposit In Lieu of Retention
- Workers' Compensation/Employers Liability Endorsement
- General Liability Endorsement
- Automobile Liability Endorsement
- General Conditions
- Supplementary and Special Conditions
- Specifications

All Addenda as Issued  
Drawings/Plans  
Requirements, Reports and/or Documents in the Project Manual or Other Documents Issued to Bidders

All of the above named Contract Documents are intended to be complementary. Work required by one of the above named Contract Documents and not by others shall be done as if required by all.

**ARTICLE 8 - PREVAILING WAGES:** Wage rates for this Project shall be in accordance with the general prevailing rate of holiday and overtime work in the locality in which the work is to be performed for each craft, classification, or type of work needed to execute the Contract as determined by the Director of the Department of Industrial Relations. Copies of schedules of rates so determined by the Director of the Department of Industrial Relations are on file at the administrative office of the Owner and are also available from the Director of the Department of Industrial Relations. Monitoring and enforcement of the prevailing wage laws and related requirements will be performed by the Labor Commissioner/ Department of Labor Standards Enforcement (DLSE).

The following are hereby referenced and made a part of this Agreement and Contractor stipulates to the provisions contained therein.

1. Chapter 1 of Part 7 of Division 2 of the Labor Code (Section 1720 et seq.)
2. California Code of Regulations, Title 8, Chapter 8, Subchapters 3 through 6 (Section 16000 et seq.)

**ARTICLE 9 - RECORD AUDIT:** In accordance with Government Code Section 8546.7 (and Davis Bacon, if applicable) and Article 13.11 of the General Conditions, records of both the Owner and the Contractor shall be subject to examination and audit for a period of five (5) years after a Final Retention Payment or the Recording of a Notice of Completion, whichever occurs first.

**ARTICLE 10 - CONTRACTOR'S LICENSE:** The Contractor must possess throughout the Project a Class **B** Contractor's License, issued by the State of California, which must be current and in good standing.

**IN WITNESS WHEREOF,** this Agreement has been duly executed by the above named parties, on the day and year first above written.

Lemoore Union High School District

CONTRACTOR:

Mark Howard  
\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Typed or Printed Name

Director of Business Services  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Dated: 2/9/2018  
\_\_\_\_\_

\_\_\_\_\_  
Type or Printed Name

\_\_\_\_\_  
Title (Authorized Officers or Agents)

\_\_\_\_\_  
Signature

**(CORPORATE SEAL)**