

ORDINANCE NO. 1010

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY RECORDER TO EXECUTE A CONTRACT WITH DIRT & AGGREGATE INTERCHANGE, INC. FOR CONSTRUCTION OF THE 3RD & BAKER COMMERCIAL/INDUSTRIAL LOCAL IMPROVEMENT DISTRICT; AND DECLARING AN EMERGENCY.

WHEREAS, the City of Canby has heretofore advertised and received bids for the 3RD AND Baker Commercial/Industrial Local Improvement District; and

WHEREAS, the notice of call for bids was duly and regularly published in the Oregon Daily Journal of Commerce on September 8, 1998; and

WHEREAS, bids were received and opened on September 29, 1998 at 4:00 pm in the Canby City Council Chambers and the following responsive bids were read aloud:

BIDDER	BID AMOUNT
1. Dirt & Aggregate Interchange, Inc.	\$459,700.80
2. Canby Excavating, Inc.	466,750.20
3. Crestview Construction, Inc.	478,781.50
4. Dunn Construction, Inc.	571,758.90
5. Les Brown Excavating, Inc.	579,398.00
6. Copenhagen Utilities & Construction, Inc.	622,243.00
7. 4 Rivers Construction, LLC	623,099.50
8. Skyline Equipment & Utilities	635,736.00
9. Wayne Jeskey Construction Company	664,139.00
10. Brundidge Construction, Inc.	682,220.50
11. Eagle Elsner, Inc.	684,741.00
12. Stanley Contracting, Inc.	899,692.00

WHEREAS, the Canby City Council, acting as the City's Contract Review Board, met on Wednesday, October 21, 1998, and considered the bids and reports and recommendations of the City staff, including the staff recommendation that the low responsive bid be selected; and


WHEREAS, the Canby City Council determined that the low responsive bid was that of Dirt & Aggregate Interchange, Inc.; now therefore

THE CITY OF CANBY ORDAINS AS FOLLOWS:

Section 1. The Mayor and City Recorder are hereby authorized and directed to make, execute, and declare in the name of the City of Canby and on its behalf, an appropriate contract with Dirt & Aggregate Interchange, Inc. for the 3rd & Baker Commercial/Industrial LID, for the bid amount of \$459,700.80. A copy of the contract with Dirt & Aggregate Interchange, Inc. is attached hereto and marked as Exhibit "A" and by this reference incorporated herein.

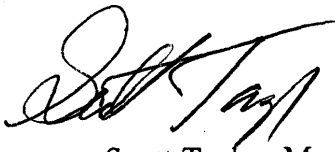
Section 2. Inasmuch as it is in the best interest of the citizens of Canby, Oregon, to complete this project as soon as possible, an emergency is hereby declared to exist and this ordinance shall therefore take effect immediately upon its enactment after final reading.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, October 21, 1998; ordered posted as required by the Canby City Charter and scheduled for second reading on Wednesday, November 2, 1998, after the hour of 7:30 pm at the Council Chambers at the Canby City Hall, 182 N. Holly, Canby, Oregon.



Michael Jordan, Acting City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 2nd day of November, 1998, by the following vote:

YEAS NAYS


Scott Taylor, Mayor

ATTEST:


Michael Jordan, Acting City Recorder

CONTRACT FOR CONSTRUCTION

THIS AGREEMENT is dated as of the ____ day of ____ in the year 1998 by and between

CITY OF CANBY
(hereinafter called OWNER) and

Dirt & Aggregate Interchange, Inc.
(hereinafter called CONTRACTOR)

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents:

**CITY OF CANBY
3rd AND BAKER COMMERCIAL/INDUSTRIAL
LOCAL IMPROVEMENT DISTRICT**

The Work is generally described as follows:

Construction of 120 feet of improvements to the North Berg Parkway, 552 feet of frontage improvements to Pacific Highway 99E, 2,251 feet of 8-inch and 14-inch water line, 3,315 feet of 8-inch sanitary sewer and a duplex 160 GPM submersible sewage pump station with 4-inch force main and access road.

ARTICLE 2 - ENGINEER

The Project has been designed by CURRAN-McLEOD, INC., Consulting Engineers, who is hereinafter called ENGINEER and who will assume all duties and responsibilities and will have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

ARTICLE 3 - CONTRACT TIME

3.1 The Work will be substantially completed within 180 calendar days after the date when the Contract Time commences to run as provided in paragraph 2.3 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 14.13 of the General Conditions within 30 days after the date when the issuance of the Certificate of Substantial Completion.

- 3.2 Liquidated Damages: OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not substantially complete within the time specified in paragraph 3.1 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by OWNER if the Work is not substantially complete on time.

Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER or the OWNER may withhold from amounts due the CONTRACTOR Two Hundred Dollars (\$200.00) for each day that expires after the time specified in paragraph 3.1. for substantial completion until the Work is substantially complete.

ARTICLE 4 - CONTRACT PRICE

- 4.1 OWNER shall pay CONTRACTOR for performance of the Work in accordance with the Contract Documents in current funds by check, an amount totaling

Four Hundred Fifty-nine Thousand, Seven Hundred and 80/100 Dollars (\$459,700.80)

as shown in the attached Bid Proposal.

ARTICLE 5 - PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

- 5.1 Progress Payments: OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Applications for Payment as recommended by ENGINEER, on or about the 25th day of each month during construction as provided below. All progress payments will be on the basis of the progress of the Work measured by the schedule of values provided for in paragraph 14.1 of the General Conditions.

5.1.1 Prior to Substantial Completion progress payments will be in an amount equal to:

- (a) 95 % of the Work completed; and
- (b) 95 % of materials and equipment not incorporated in the Work but delivered and suitably stored, less in each case the aggregate of payments previously made.

5.1.2 Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 95% of the value of the Contract Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 14.7 of the General Conditions.

- 5.2 Final Payment: Upon final completion and acceptance of the Work in accordance with paragraph 14.13 of the General Conditions, OWNER shall pay the remainder of the value of the Contract Work completed, as recommended by ENGINEER as provided in said paragraph 14.13.

ARTICLE 6 - INTEREST

All monies not paid when due hereunder shall bear interest at the maximum rate allowed by law at the place of the Project, when requested in accordance with ORS 279.

ARTICLE 7 - CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized himself with the nature and extent of the Contract Documents, Work, locality, and with all local conditions and federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress or performance of the Work.
- 7.2 CONTRACTOR has studied carefully all reports of investigations and tests of subsurface and latent physical conditions at the site or otherwise affecting cost, progress or performance of the Work which were relied upon by ENGINEER in the preparation of the Drawings and Specifications and which have been identified in the Supplementary Conditions.
- 7.3 CONTRACTOR has made or caused to be made examinations, investigations and tests and studies of such reports and related data in addition to those referred to in paragraph 7.2 as he deems necessary for the performance of the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, tests, reports or similar data are or will be required by CONTRACTOR for such purposes.
- 7.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.
- 7.5 CONTRACTOR has given ENGINEER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

ARTICLE 8 - CONTRACT DOCUMENTS

- 8.1 This Agreement (pages 33 to 37, inclusive).
- 8.2 Exhibits to this Agreement.
- 8.3 Performance and other Bonds (pages 39 to 42, inclusive).
- 8.4 Notice of Award.
- 8.5 General Conditions of the Construction Contract (pages 43 to 90, inclusive).
- 8.6 Supplementary Conditions (pages 91 to 94, inclusive).
- 8.7 Technical Specifications.
- 8.8 Drawings bearing the following general title:

CITY OF CANBY
3rd AND BAKER COMMERCIAL/INDUSTRIAL
LOCAL IMPROVEMENT DISTRICT

- 8.9 Addenda numbers 1 & 2.
- 8.10 CONTRACTOR'S Bid
- 8.11 Any Modification, including Change Orders, duly delivered after execution of Agreement.

There are no Contract Documents other than those listed above in this ARTICLE 8. The Contract Documents may only be altered, amended or repealed by a Modification (as defined in Section 1 of the General Conditions).

ARTICLE 9 - MISCELLANEOUS

- 9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions shall have the meanings indicated in the General Conditions.
- 9.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically by without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

9.3 OWNER and CONTRACTOR each binds himself, his partners, successors, assigns and legal representatives to the other party hereto, his partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

9.4 In the event a suit, arbitration or other legal action is required by either the OWNER or the CONTRACTOR to enforce any provisions of this Agreement, the prevailing parties shall be entitled to all reasonable costs and reasonable attorney's fees upon trial or subsequent appeal.

IN WITNESS WHEREOF, the parties hereto have signed four counterparts of this Agreement.

This Agreement will be effective on _____, 1998.

OWNER

CONTRACTOR

CITY OF CANBY

Dirt & Aggregate Interchange, Inc.

182 N. Holly Street

20905 N.E. Sandy Blvd.

Canby, OR 97013

Fairview, OR 97024

By 

By _____

Name/Title _____

Name/Title _____

(Corporate Seal)

Attest _____

Address for giving notices

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