

**The City of Garden Grove as Successor Agency to the
Garden Grove Agency for Community Development**

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal	From: William E. Murray
Dept: Director	Dept: Public Works
Subject: APPROVAL OF PROPERTY MAINTENANCE AGREEMENT WITH EDGAR GONZALEZ FOR SITE MAINTENANCE AT 12721 HARBOR BOULEVARD, 12625 HARBOR BOULEVARD, 12591 HARBOR BOULEVARD, 12581 HARBOR BOULEVARD, 12601 LEDA LANE, 12602 LEDA LANE, GARDEN GROVE	
	Date: September 24, 2013

OBJECTIVE

It is requested that The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (Successor Agency) approve an agreement with Edgar Gonzalez dba Superior Construction ("Contractor") for site maintenance at 12721 Harbor Boulevard, 12625 Harbor Boulevard, 12591 Harbor Boulevard, 12581 Harbor Boulevard, 12601 Leda Lane, and 12602 Leda Lane, Garden Grove.

BACKGROUND/DISCUSSION

The Successor Agency is the owner of property located at 12721 Harbor Boulevard, 12625 Harbor Boulevard, 12591 Harbor Boulevard, 12581 Harbor Boulevard, 12601 Leda Lane, and 12602 Leda Lane, Garden Grove. The Successor Agency, as owner of the aforementioned properties, is obligated to maintain the properties in a safe and healthy manner, free of debris, weeds, and other items in accordance with applicable law, including Chapter 6.20 and Sections 9.32.200 and 9.32.210 of the Garden Grove Municipal Code. The accumulation of weeds and debris on the property can create a fire hazard and a public nuisance.

The properties comprise approximately 13 acres of unimproved land. The site conditions are such that weeds and shrubs have grown to cover the majority of the site and are creating a potential fire hazard. Due to the size of the site, the most cost effective process to remove the weeds and organic material is through a process called grubbing. Grubbing involves the application of water for dust control purposes prior to disturbing the soil. Second, a bulldozer will be used to unearth all plant and roots to deter the future growth of weeds. The resulting debris will be disposed in a landfill in accordance with federal, state, and local environmental laws.

APPROVAL OF PROPERTY MAINTENANCE AGREEMENT WITH EDGAR GONZALEZ FOR
SITE MAINTENANCE SERVICES

September 24, 2013

Page 2

Staff has obtained three bids to grub the site. Below is a summary:

Bidder's Name	Total Bid
1. Edgar Gonzalez	\$40,500.00
2. J&G Industries, Inc.	\$41,950.00
3. Hartfield Construction Corporation	\$45,350.00

The lowest responsible bidder is Edgar Gonzalez with a total bid of \$40,500. The licenses of the contractor have been reviewed and verified by staff.

FINANCIAL IMPACTS

Costs for grubbing the site will be paid by Successor Agency funds.

RECOMMENDATION

It is recommended that the Successor Agency:

- Approve the Property Maintenance Agreement with Edgar Gonzalez dba Superior Construction in the amount of \$40,500, for grubbing the properties at 12721 Harbor Boulevard, 12625 Harbor Boulevard, 12591 Harbor Boulevard, 12581 Harbor Boulevard, 12601 Leda Lane, and 12602 Leda Lane, Garden Grove;
- Authorize the Director to execute the Agreement on behalf of the Successor Agency, and make minor modifications as appropriate thereto;
- Authorize staff to transmit the Agreement to the Oversight Board for approval.


For WILLIAM E. MURRAY
Public Works Director/City Engineer

By: Carlos Marquez
Sr. Real Property Agent

Attachment: Agreement

Recommended for Approval


for Matthew Fertal
Director

PROPERTY MAINTENANCE CONTRACT

THIS PROPERTY MAINTENANCE CONTRACT (“Agreement”) is made this _____ day of _____, 2013 by the **CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT**, a public body, (“SUCCESSOR AGENCY”) and **EDGAR GONZALEZ**, a sole proprietor, d/b/a Superior Construction (“CONTRACTOR”).

RECITALS

- A. **WHEREAS**, the SUCCESSOR AGENCY is acting as Successor Agency to the Garden Grove Agency for Community Development (“Former Agency”) pursuant to ABx1 26, which added Parts 1.8 and 1.85 to Division 24 of the Health & Safety Code (“Dissolution Act”); and
- B. **WHEREAS**, the Former Agency is the owner of the Project Area on a site (“Proposed Project Site”) that includes certain properties located on the west side of Harbor Boulevard, between Lampson Avenue and Garden Grove Boulevard, at 12581, 12591, 12681, and 12721 Harbor Boulevard and 12601 and 12602 Leda Lane, Parcel Nos. 231-441-27, 29, 39, & 40; 231-431-02 & 03 (collectively, “Properties”); and
- C. **WHEREAS**, the Successor Agency, as owner of the aforementioned properties, has a legal obligation to maintain the properties in a safe and healthy manner, free of debris, weeds, and other items in accordance with applicable law; and
- D. **WHEREAS**, SUCCESSOR AGENCY desires to utilize the services of CONTRACTOR to provide all labor, materials, equipment and other expenses necessary to remove and dispose mulch and weeds at the Proposed Project Site along with the items described in Attachment “A”.

AGREEMENT

NOW, THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination.** The term of the Agreement shall be for period of **ninety (90) calendar days from full execution** of the Agreement or completion of the project, whichever occurs first. This agreement may be terminated by SUCCESSOR AGENCY without cause as provided in Section 3.4 below. In such event, SUCCESSOR AGENCY will compensate CONTRACTOR for work performed to date in accordance with the Proposal incorporated herein by reference as Attachment “A”. CONTRACTOR is required to present evidence to support performed work completion.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Proposal incorporated herein by reference as Attachment “A.” The Proposal and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Compensation under this agreement shall be the Not To Exceed (NTE) amount of **Forty Thousand Five Hundred Dollars (\$40,500.00)**, payable in arrears and in accordance with the Proposal in Attachment “A”.

- 3.2 Payment. For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on a schedule approved in conjunction with such written authorization.
- 3.3 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to SUCCESSOR AGENCY.
- 3.4 Termination. SUCCESSOR AGENCY and CONTRACTOR shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by SUCCESSOR AGENCY, then the provisions of Section 3.2 would apply to that portion of the work completed.

4. Insurance requirements.

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the SUCCESSOR AGENCY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the SUCCESSOR AGENCY of any material change, cancellation, or termination at least thirty (30) days in advance and a waiver of subrogation for each policy against the SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers.
- 4.2 WORKERS COMPENSATION INSURANCE. For the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable. The insurer shall waive its rights of subrogation against the SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
- (a) Commercial general liability, not excluding XCU, and including mobile equipment, in an amount not less than \$1,000,000 per occurrence; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to SUCCESSOR AGENCY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the SUCCESSOR AGENCY.
 - (b) Automobile liability in an amount not less than \$1,000,000 combined single limit; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to SUCCESSOR AGENCY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the SUCCESSOR AGENCY.
 - (c) Follows Form Excess liability coverage shall be provided for any underlying policy that does not meet the insurance requirements set forth herein (**claims made and modified occurrence policies are not acceptable**). Insurance companies must be acceptable to SUCCESSOR AGENCY and have a Best's Guide Rating of A-Class VII or better, as approved by the SUCCESSOR AGENCY.

An Additional Insured Endorsement, **ongoing and Products-completed operations, including mobile equipment**, for the policy under section 4.3 (a) shall designate SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY's requirements, as approved by the SUCCESSOR AGENCY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY's requirements, as approved by the SUCCESSOR AGENCY.

For any underlying policy that does not meet policy limits required herein, CONTRACTOR shall provide a follows form excess liability policy under section 4.3 (c). CONTRACTOR shall provide: 1. The schedule of underlying policies for the follows form excess liability policy, 2. Indicate on the certificate that the excess policy is follows form, and 3. An additional insured endorsement for the follows form excess liability policy designating SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers as additional insureds.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects to the SUCCESSOR AGENCY, City of Garden Grove, and their respective officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the SUCCESSOR AGENCY, City of Garden Grove, and/or their respective officers, officials, employees, agents, and volunteers shall be in excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of SUCCESSOR AGENCY.** No official or employee of SUCCESSOR AGENCY shall be personally liable to CONTRACTOR in the event of any default or breach by SUCCESSOR AGENCY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of SUCCESSOR AGENCY, and shall obtain no rights to any benefits which accrue to SUCCESSOR AGENCY'S employees.
8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

a. (CONTRACTOR)

Edgar Gonzalez
9331 California Avenue
Southgate, CA 90280

b. (SUCCESSOR AGENCY)

(with a copy to):

City of Garden Grove
Successor Agency to the Garden Grove
Agency for Community Development
11222 Acacia Parkway
Garden Grove, CA 92840
Attention: Carlos Marquez

Garden Grove City Attorney
11222 Acacia Parkway
Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR's Proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.

12. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should CONTRACTOR discover any latent or unknown conditions materially differing from those inherent in the work or as represented by SUCCESSOR AGENCY, it shall immediately inform SUCCESSOR AGENCY of this and shall not proceed, except at CONTRACTOR's risk, until written instructions are received from SUCCESSOR AGENCY.

13. **Time of Essence.** Time is of the essence in the performance of this Agreement.

14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for SUCCESSOR AGENCY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of SUCCESSOR AGENCY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of SUCCESSOR AGENCY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to SUCCESSOR AGENCY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and SUCCESSOR AGENCY. All persons engaged in the work will be considered employees of CONTRACTOR. SUCCESSOR AGENCY will deal directly with and will make all payments to CONTRACTOR.

15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
16. **Prevailing Wages.** SUCCESSOR AGENCY has been advised that the Prevailing Wages Law applies to the work. CONTRACTOR shall be responsible for CONTRACTOR's compliance in all respects with the prevailing wage rates to all the laborers involved, and with California Labor Code Section 1770 et seq., including the keeping of all records required by the provisions of Labor Code Section 1776 and the implementing administrative regulations. SUCCESSOR AGENCY shall be a third party beneficiary of the forgoing covenant with rights to enforce the same as against CONTRACTOR.
17. **Indemnification.** CONTRACTOR agrees to protect, defend, and hold harmless SUCCESSOR AGENCY, City of Garden Grove, and their respective elective or appointive boards, officers, agents, and employees ("Indemnified Parties") from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by CONTRACTOR, CONTRACTOR's agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The only exception to CONTRACTOR's responsibility to protect, defend, and hold harmless the Indemnified Parties, is due to the sole negligence of the Indemnified Parties or any of their elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.
18. **Agreement Limitations.** CONTRACTOR understands and agrees that the implementation and effectiveness of this Agreement shall be subject to approval by the Oversight Board to the Successor Agency and all provisions of ABx1 26 (2011) and AB 1484 (2012).
19. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument and any executed counterpart may be delivered by facsimile transmission or other mutually agreed upon electronic means with the same effect as if an originally executed counterpart had been delivered.

(Agreement Signature Block On Next Page)

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

"SUCCESSOR AGENCY"
City of Garden Grove as Successor Agency to the
Garden Grove Agency for Community
Development, a public body,

By: _____
Executive Director

ATTESTED:

Secretary

Date: _____

"CONTRACTOR"
EDGAR GONZALEZ, a sole proprietor, d/b/a
Superior Construction

By: _____

Name: _____

Title: _____

Date: _____

Tax ID No. _____

Contractor's License: _____

Expiration Date: _____

If CONTRACTOR is a corporation, a Corporate
Resolution and/or Corporate Seal is required. If a
partnership, Statement of Partnership must be
submitted to CITY.

APPROVED AS TO FORM:

Agency Counsel

Superior Construction
ENVIRONMENTAL, DEMOLITION & CONSTRUCTION

BID SCOPE AND PROPOSAL

Attn: Mr. Carlos Marquez
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92842

September 18, 2013

RE: Superior Construction Project ID #09132013
12591 Harbor Blvd (Great Wolf Park Site)
Garden Grove, CA 92843

Superior Construction and Environmental Services, is pleased to submit to you a proposal to provide all labor, materials, equipment and other expenses necessary to remove and dispose mulch and weeds at the above referenced project.

I. Scope of Work:

- A. Remove and dispose approx. 58,000 sq. ft. of wood chips located at center of property
- B. Blade off weeds and remove debris from lot.
- C. Haul weeds/wood chips/brush to a legal disposal facility.

Work will be performed for the lump sum price of: \$ 40,500.00

Note: Grading, permits, engineering Special insurance requirements
 SWPP design or implementation (bmp's) Buried debris, concrete, or rubble
 Underground structures, utility work Handling or hauling of hazardous, toxic or contaminated material

This contract does not include damage or repairs to underground facilities not visible or otherwise designated by owner/contractor and stated in this agreement.
 Bonds and city permits are excluded from this proposal.

Schedule: 5 working days. Mon-Fri, Holidays/Over Time not included

Terms: Upon completion of above portion of work

If you have any questions, please contact Edgar Gonzalez directly at 562.900.6113 or by email at houserenovator@hotmail.com

CONTRACTOR/OWNER REPRESENTATIVE ACCEPTANCE

(NAME/TITLE)

(SIGNATURE/DATE)

9331 CALIFORNIA AVENUE #B, SOUTH GATE, CA 90780
TEL. (562) 900 – 6113 CSLB LIC#882930 B, ASB, C21