

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
PUBLIC WORKS DEPARTMENT**

CONSENT AGENDA  
ITEM NO. 11

**TO:** Mayor and City Council

**FROM:** Thomas G. Wendorf, P.E., Director of Public Works

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Melissa Byrne Vossmer, Andrew Martin, Louis A. Lendman, Milo D. Nitschke, Aubrey George, Robert Ojeda, Capital Programs Administration, File

**SUBJECT:** Branch Library (Mystic Park) and Fire Station No. 49 (Northwest) project

**DATE:** August 21, 2003

**SUMMARY AND RECOMMENDATIONS**

This ordinance accepts the low qualified responsive base bid with Alternate Nos. 1 through 4 and awards a construction contract in the amount of \$3,418,330 payable to Valemas, Inc., a MBE firm, authorizes \$340,670 for contingency expenses, and approves funds in the amount of \$20,000 for professional service contingency in connection with the Branch Library and Fire Station No. 49 project, funded by General Obligations of the City, and located at 8700 Mystic Park Street in Council District 7.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

This ordinance will provide a construction contract with Valemas, Inc. to construct a 15,000 sq. ft. new branch library and a new fire station for the northwest area containing apparatus bays and living quarters for Fire Personnel. Construction is expected to begin in October 2003 and be complete by October 2004.

This project was advertised for construction bids in the Commercial Recorder, the San Antonio Informer, and La Prensa in April of 2003. In addition, the bid announcement was made on TVSA, through the SBEDA office and in the Dodge Report. Plans were also available for review by potential bidders in the Public Works Department.

Bids for this project were opened on May 28, 2003, with seven (7) bidders responding. The apparent low qualified responsive bidder is Valemas, Inc. The base bid and Alternate numbers 1 through 4 are accepted for a total contract amount of \$3,418,330. A matrix reflecting the outcome of the bid process (Attachment 2) and a description of alternates (Attachment 3) is included below. The professional service contingency is needed to address plat related FEMA submission costs and administrative costs.

The Economic Development Department has reviewed the Good Faith Effort Plan and List of Subcontractors submitted for this project by Valemas, Inc. The contractor has committed to subcontract 69% or \$2,370,223 to MBE firms and 3% or \$90,000 to WBE firms. The contract provides for 250 working days or approximately twelve (12) months to complete the project. Valemas, Inc. currently has no contracts with the City of San Antonio.

### **POLICY ANALYSIS**

Approval of this ordinance will be a continuation of Council policy to complete previously approved Capital Improvement Projects.

### **FISCAL IMPACT**

This is a one-time capital improvement expenditure within budget and included in the FY03-08 Capital Improvement Program Budget in the amount of \$3,779,000. Funds are available and included in the Capital Improvement Program as follows:

\$1,902,536	from 1999 General Obligation Library System Improvements Bonds
\$ 288,464	from 2002 Certificates of Obligation for Library System
\$1,588,000	from 2002 Certificates of Obligation for Fire Protection

Funds for the project are payable as follows:

\$3,418,330	Payable to Valemas, Inc. for construction expenses
\$ 340,670	Construction contingency expenses
\$ 20,000	Professional services contingency
<hr/>	
\$3,779,000	Total amount of this Ordinance

This item represents a portion of the total estimated project cost of \$ 6,498,000.

## COORDINATION

This request for ordinance has been coordinated with the Office of Management and Budget, the Finance Department, the City Attorney's Office, the Library Department, and the Fire Department.

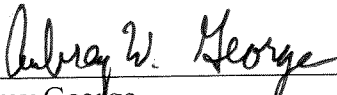
## SUPPLEMENTARY COMMENTS

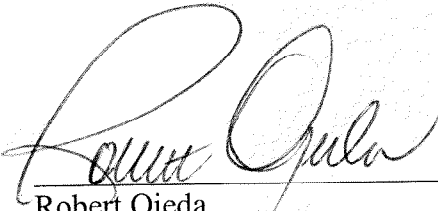
This project was developed utilizing the formal competitive bid process; therefore, a Discretionary Contracts Disclosure Form is not required.

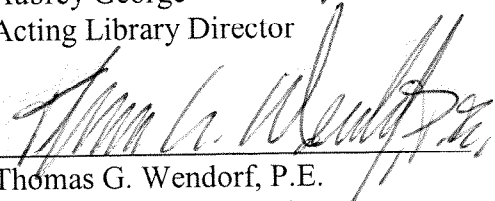
## ATTACHMENTS

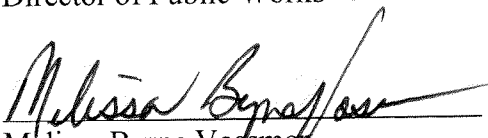
The following items are attached for reference:

1. Project Location Map
2. Matrix of Bid Tabulation
3. Description of Alternates
4. Proposal
5. Economic Development Department memorandum, dated August 7, 2003
6. Contract

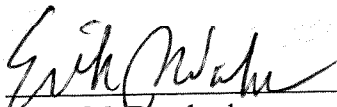
  
Aubrey George  
Acting Library Director

  
Robert Ojeda  
Fire Chief

  
Thomas G. Wendorf, P.E.  
Director of Public Works 8/7/03

  
Melissa Byrne Vossmer  
Assistant City Manager

Approved:

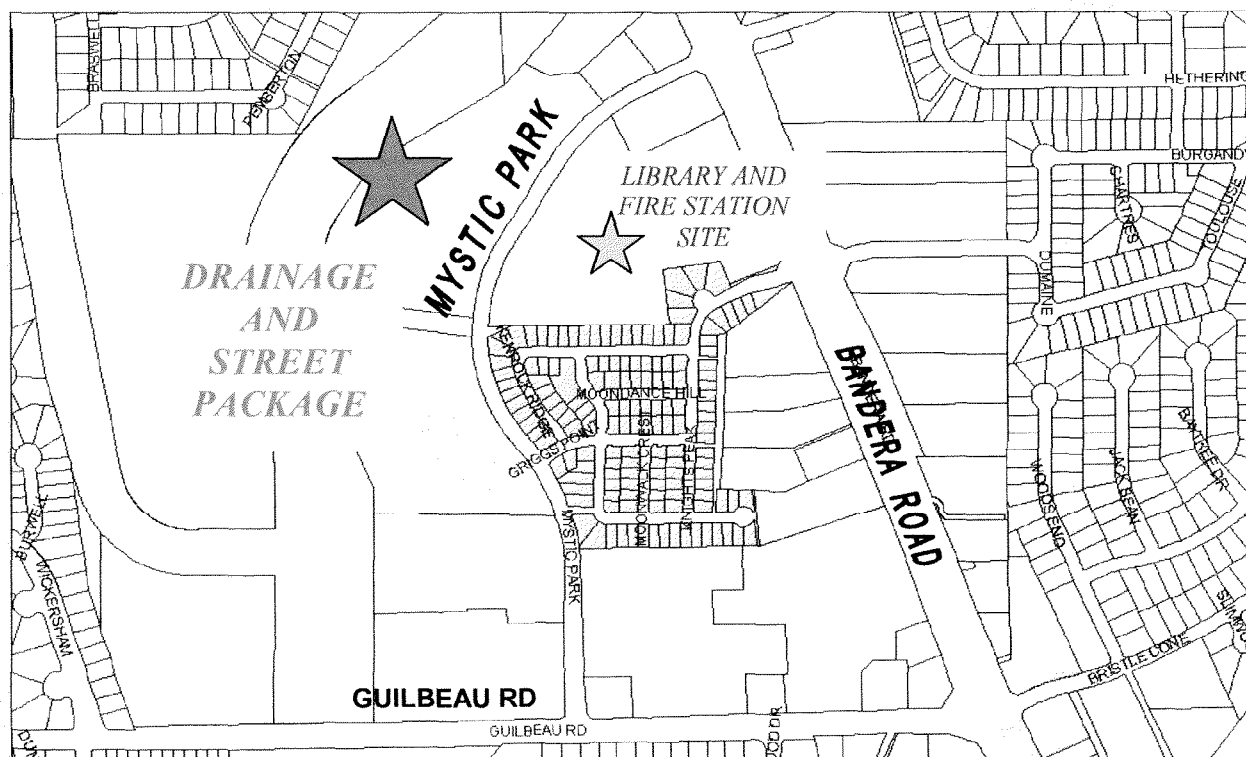
  
Terry M. Brechtel  
City Manager

## Attachment 1

### Project Location Map

Library and Fire Station No. 49 – Drainage and Street Package project

### Project Location Map



**DRAINAGE AND STREET PACKAGE  
BRANCH LIBRARY (MYSTIC PARK) AND FIRE STATION NO. 49 (NORTHWEST)  
8700 MYSTIC PARK  
CITY COUNCIL DISTRICT NO. 7**

**Attachment 2**  
Matrix of Bid Tabulation

Branch Library and Fire Station No. 49 project

**Matrix of Bid Tabulation**

<i>Bidder Name</i>	<i>Base Bid</i>	<i>Add Alternate 1</i>	<i>Add Alternate 2</i>	<i>Add Alternate 3</i>	<i>Add Alternate 4</i>	<i>Roll-up Total</i>
Valemas, Inc.	\$3,232,900.00	\$ 37,400.00	\$ 108,600.00	\$ 27,430.00	\$ 12,000.00	\$3,418,330.00
FMG Contracting, Inc.	\$3,349,000.00	\$ 91,000.00	\$ 65,000.00	\$ 24,000.00	\$ 6,500.00	\$3,535,500.00
Wallace L. Boldt	\$3,373,000.00	\$ 79,400.00	\$ 105,100.00	\$ 35,600.00	\$ 5,100.00	\$3,598,200.00
F. A. Nunnelly Co.	\$3,400,000.00	\$ 90,000.00	\$ 95,000.00	\$ 24,500.00	\$ 5,500.00	\$3,615,000.00
Vincent T. Garza Contracting	\$3,460,000.00	\$ 77,000.00	\$ 90,000.00	\$ 34,000.00	\$ 9,400.00	\$3,670,400.00
Peco, Inc.	\$3,465,000.00	\$ 77,000.00	\$ 120,000.00	\$ 28,000.00	\$ 7,800.00	\$3,697,800.00
Tom Page & Co.	\$3,470,000.00	\$112,000.00	\$ 144,000.00	\$ 38,000.00	\$ 5,400.00	\$3,769,400.00

**Attachment 3**  
**Description of Alternates**

Branch Library and Fire Station No. 49 project

**Description of Alternates**

ADD Alternates To Bid:

ADD Alternate #1:

At Fire Station #49:

Add 3rd apparatus bay to room 101. Reference sheet FS A2.00a and the elevations on sheets FS A3.00 and FS A3.01. This ADD takes out sodd irrigation heads as shown on sheets L2.01 & L2.03 that are in the proposed ADD. area.

ADD Alternate #2:

At Fire Station #49:

Add rooms 138 & 141, library 130, showers 140 and 142, closet 141a and portion of hallway 119. This Add alternate is referenced throughout the package. This ADD takes out hydromulch & irrigation heads as shown on sheets L1.01 & L2.03 that are in the proposed ADD. area.

ADD Alternate #3:

Add 27 parking spaces to the library parking lot per the additional parking plan shown on the civil drawings and detail 03/A1.00 of the architectural drawings. (The work is to include the necessary modifications and additions to the curbs, the asphalt paving, the irrigation, the landscaping, the pavers, the paint striping, etc.)

ADD Alternate #4:

At The Library:

- a. Add open shelving millwork along the west wall of Conference Rm. 122 as shown on the floor plan and in Dtl. 01/A6.00.
- b. Add open shelving and cabinet millwork at the east wall of the Circulation Desk Area 112 as shown on the floor plan and in Dtl. 03/A6.00
- c. Add counter and open shelving millwork at south wall of the Work Area 111 as shown on the floor plan and in Dtl. 06/A6.00

PROPOSAL  
TO  
CITY OF SAN ANTONIO TEXAS  
FOR THE CONSTRUCTION OF  
BRANCH LIBRARY (MYSTIC PARK)  
AND FIRE STATION NO.49 (NORTHWEST)  
IN SAN ANTONIO, TEXAS

The undersigned, as bidder, declares that the only person or parties interested in this proposal as principals are those named herein; that this proposal is made without collusion with any other person, firm, corporation; that Bidder has carefully examined the form of contract, instructions to bidders, profiles, grades, specifications, and the plans therein referred to, and has carefully examined the locations, conditions and classes of materials of the proposed work; and agrees that Bidder will provide all the necessary machinery, tools, apparatus, and other means of construction, and will do all the work and furnish all the materials called for in the contract and specifications in the manner prescribed therein and according to the requirements of the Director of Public Works as therein set forth.

It is understood that the following quantities of work to be done are approximate only, and are intended principally to serve as a guide in figuring out the bids.

It is understood and agreed that the work is to be completed in full in \_\_\_\_\_  
250 working days

Accompanying this Proposal is a Bid Guaranty in the amount of 5% of the Greatest  
Amount Bid Dollars (\$ 5% G.A.B. ) said amount being

5% per cent of the total bid. Said Bid Guaranty, in the form of a Certified or Cashier's Check on a State or National Bank, or Bid Bond, is submitted as a guaranty of the good faith of the Bidder and that the Bidder will execute and enter into a written contract to do the work, if his bid is accepted. It is hereby agreed that the Bidder may, at any time prior to opening of the bids withdraw this Proposal without penalty; it is also agreed that if Bidder shall, at any time after opening of bids, withdraw this Proposal or if this Bid is accepted and Bidder shall fail to execute the written contract and furnish satisfactory bond, within twenty (20) days after the date of transmittal of the contract documents by Owner to Contractor, the City of San Antonio shall, in any of such events, be entitled and is hereby given the right to retain said Bid Guaranty as liquidated damages. It is understood that the City of San Antonio reserves the right to reject any and all bids whenever the City Council deems it in the interest of the City to do so, and also the right to waive any informalities in a bid.

In the event of the award of a contract to the undersigned, the undersigned will execute same on Standard Form City construction Contract and make bond for the full amount of the contract, to secure proper compliance with the terms and provisions of the contract, and to insure and guarantee the work until final completion and acceptance or the end of the guarantee period where so stipulated, and to guarantee payment of all lawful claims for labor performed and materials furnished in the fulfillment of the contract.

The work proposed to be done shall be accepted when fully completed and finished to the entire satisfaction of the Director of Public Works.

The undersigned certifies that the bid prices contained in this proposal have been carefully checked and are submitted as correct and final.

Bidder is:

☐ An individual proprietorship;

☐ A partnership composed of \_\_\_\_\_ and \_\_\_\_\_

☒ A corporation chartered under the laws of the State of Texas, acting by its officers pursuant to its by-laws or a resolution of its Board of Directors.

Acknowledge Addendum's  
No. 1 dated May 19, 2003  
No. 2 dated May 23, 2003

Valemas, Inc.

(Name of Bidder)

By: [Signature]

(Signature)

5/28/03

Date

ATTEST:

[Signature]

President

(Title)

Amount of Base Bid (Insert Amount in Words and Numbers): \_\_\_\_\_

THREE MILLION TWO HUNDRED THIRTY TWO THOUSAND  
NINE HUNDRED \$ 3,232,900

Alternates (if applicable):

(1) 37,400 - ADD

(3) 27,430 - ADD

(2) 108,600 - ADD

(4) 12,000 - ADD

Valemas, Inc.

Company's Name

210-599-1876

Telephone No.

3435 Salado Creek Drive

Address

210-599-7209

Fax No.

San Antonio, Texas

City & State

78217

Zip Code

CITY OF SAN ANTONIO  
ECONOMIC DEVELOPMENT DEPARTMENT  
Interdepartmental Correspondence Sheet

TO: Sherri L. Rice, Contract Services Manager, Public Works Department

FROM: Anita Uribe Martin, Economic Development Manager, Econ. Dev. Dept.

COPIES TO: Courtney McClure; File

SUBJECT: Branch Library (Mystic Park) & Fire Station No. 49 (Northwest)

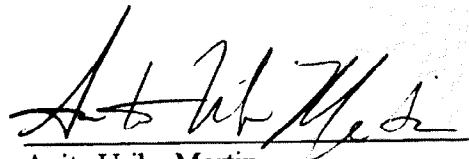
DATE: August 7, 2003 (revised from June 3, 2003)

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We have reviewed the Good Faith Effort Plan and List of Subcontractors submitted for the Branch Library (Mystic Park) & Fire Station No. 49 (Northwest) project. The apparent low bidder has submitted the following goals.

<u>FIRM</u>	<u>CERTIFIED</u>	<u>MBE</u>	<u>WBE</u>	<u>AABE%</u>	<u>GFEP</u>
Valemas, Inc.	Yes	69.3386% or \$2,370,223	2.6328% or \$90,000	0%	Approved

The Good Faith Effort has been approved based on the information submitted. Please encourage Valemas to utilize small, African American, and women-owned businesses throughout the project.

  
Anita Uribe Martin  
Economic Development Manager  
Small Business Outreach Division

AUM/gi

**CONSTRUCTION CONTRACT  
(General Form)**

**STATE OF TEXAS  
COUNTY OF BEXAR  
CITY OF SAN ANTONIO**

**CONTRACT FOR  
BRANCH LIBRARY (MYSTIC PARK) AND  
FIRE STATION NO. 49 (NORTHWEST)**

**THIS AGREEMENT** made and entered into in San Antonio, Bexar County, Texas between the City of San Antonio, a municipal corporation, in the State of Texas, hereinafter termed "City", and

**Valemas, Inc.**

**3435 Salado Creek Drive**

**San Antonio, Texas 78217**

hereinafter termed "Contractor", said agreement being executed by the City pursuant to the City Charter and Ordinances and Resolutions of the City Council, and by said Contractor,

**WITNESSETH:** That the parties hereto, each in consideration of the agreements on the part of the other herein made and referred to, have covenanted mutually, and hereby mutually covenant, ~~the~~ City for itself and its successors, and the Contractor for itself or himself or themselves and his or their heirs, executors and administrators or successors, as follows, to-wit:

**A. DEFINITIONS & SCOPE OF CONTRACT**

1. **CITY AND OFFICIALS.** Whenever in this contract is found the term "City", "City Council", "City Manager", "Director of Public Works", "Director of Finance", "City Clerk" or other designation of any City institution, officer, employee or title, or a pronoun in its, his or their place, the same shall, unless indicated otherwise, be understood to mean the City of San Antonio or its successors, or the governing body, or the person or persons now or hereafter holding or exercising the duties of such designated official position, office, employment or title, in said City, or any person or persons acting lawfully in the corresponding official capacity on behalf of said City at such time and within the powers and authority held by him or them;

2. **CONTRACTOR.** Whenever the term "Contractor" or a pronoun in its place is used herein, it shall be taken to include any person, association or persons, firm or corporation, notwithstanding such pronoun may be used in the masculine gender or singular number, and said term or pronoun shall include in their respective capacities, the President, Manager, or other officer or agent for the time being, representing or locally managing the work of any corporation contracting herein.

3. **INCLUDED INSTRUMENTS.** The notice to Contractors, specifications including any Special and General Conditions, plans, instructions to bidders, advertisement for bids, the bid proposal, and the construction bond, payment bond, and other bonds, if any, made by the Contractor, the Charter, Ordinances and Resolutions of the City, all in so far as prepared for or relating to said work herein undertaken are hereby made a part of this agreement and are included in this contract as if rewritten or copied in full herein, and shall be deemed "included instruments" when that term is used.

4. **CONTRACT TO CONTROL.** In case of conflict or inconsistency between this contract and the specifications or other included instruments, this contract shall control, but insofar as such provisions can stand together they shall all be regarded as cumulative.

5. **SCOPE OF CONTRACT AND SPECIAL PROVISIONS FOR SUPERVISION OF WORK.** It is contemplated that this contract shall be used as a general form of construction contract for public works projects and for some of said work independent consulting Architects or Engineers may be engaged, their identity and capacity shall be designated herein; however, Contractor understands that City may abrogate the authority of such consultant as provided in the terms of its contract relationship with the latter, and the Director of Public Works shall, in such event, be vested with all powers formerly exercised by such consultant, provided written notice of such substitution shall be immediately served on the Contractor in writing. Nothing herein shall authorize independent agreements between Contractor and such Engineer or Architect, nor shall the latter be deemed to bear a legal relationship to either Contractor or City other than as evidenced by the City's contract with such consultant.

6. **DEFAULT AND VIOLATIONS OF CONTRACT.** If Contractor shall fail or refuse to take such measures as the Director of Public Works may determine to be necessary to insure the completion of the work within the time allowed therefor, or if the work to be done under this contract shall be abandoned by Contractor, or if this contract, or any right or interest therein shall be assigned or sub-let by Contractor otherwise than is herein specified, or if at any time said Director of Public Works shall certify in writing that Contractor is willfully violating or refusing to observe any of the conditions, provisions or stipulations of this contract or of the specifications, or is executing the same in bad faith or not in accordance with the terms thereof, or if the work is not fully completed within the time allowed for its completion, then, in any such event, the City Manager shall be authorized at his election to order Contractor to discontinue all work under this contract by written notice given as herein provided; and Contractor and his employees shall thereupon discontinue all work upon said premises; and the City shall, upon such notice having been given, be authorized fully to enter upon said premises, through any designated officer, agent or contractor, and to take full possession of said work, and to order or contract for the completion of said work in any manner it may deem proper; and said City shall thereupon have a right to take full possession of, and to use for the purposes of said work, all materials, tools, implements or machinery previously provided by the Contractor for the performance of the work and located at the project site. All costs and expenses requisite to the completion of the work by the City whether accomplished by contract or otherwise, and including reasonable costs of supervision, together with damages for delay as herein specified, shall be charged to and paid by the Contractor. If the cost of such completion by the City shall be less than the amount agreed to be paid to the Contractor hereunder, the Contractor shall forfeit by virtue of his default the right to any difference unless otherwise specified by the City Manager; if, however, the cost of such completion shall exceed the amount herein agreed to be paid to the Contractor, then the Contractor or his bondsman shall pay to the City the amount of such additional costs and expenses to be fixed and determined as herein provided.

7. **COMMUNICATIONS BETWEEN CONTRACTOR AND CITY.** The Contractor agrees that the following address in the City of San Antonio, Texas, shall be used for the transmission to him of any notices or correspondence in connection with the performance of this contract:

3435 Salado Creek Drive

San Antonio, Texas 78217

The above address may be changed only by filing written notice to that effect with the Director of Public Works. All communications, notices and other correspondence forwarded to the above address shall be presumed conclusively to have been delivered by regular course of mail to the Contractor.

8. **PREVAILING WAGE RATE AND GENERAL LABOR CONDITIONS.** The Provisions of Vernon's annotated Civil Statutes, Article 5159a, are expressly made a part of this contract. In accordance therewith, a schedule of the general prevailing rate of per diem wages in this locality for each craft or type of workman needed to perform this contract is included with the Special Conditions and made a part hereof. The Contractor shall forfeit as a penalty to the City sixty dollars (\$60.00) for each laborer, workman, or mechanic employed, for each calendar day, or portion thereof, that such laborer, workman or mechanic is paid less than the said stipulated rates for any work done under said contract, by the contractor or any sub-contractor under him. The establishment of prevailing wage rates pursuant to Article 5159a shall not be construed to relieve the Contractor from his obligation under any Federal or State Law regarding the wages to be paid to or hours worked by laborers, workmen or mechanics insofar as applicable to the work to be performed hereunder. The Contractor, in the execution of this project, agrees that he shall not discriminate in his employment practices against any person because of race, color, creed, sex or origin. The Contractor agrees that he/she will not engage in employment practices which have the effect of discriminating against employees or prospective employees because of race, color, religion, national origin, sex, age, handicap or political belief or affiliation. In addition, Contractor agrees that he/she will abide by all applicable terms and provisions of the Nondiscrimination Clause and the Small and/or Minority Business Advocacy Clause as contained in the City of San Antonio's current Affirmative Action Plan on file in the City Clerk's Office.

9. **ASSIGNMENTS AND SUBLETTING.** Contractor shall not assign, transfer, convey, sub-let or otherwise dispose of this contract, or any portion thereof, or any right, title or interest in, to or under the same, without previous consent in writing of the City, to be endorsed hereon or hereto attached; and Contractor shall not assign by power of attorney or otherwise any of the monies or other considerations to become due and payable by the City under this contract, unless by and with the consent signified in like manner. And in any event whatsoever, whether by such consent, by operation or law or otherwise, any and all such assignments, transfers or sub-letting, and the entire subject matter thereof, shall be and remain subject to all rights of the City herein or otherwise provided, and no waiver of this stipulation can be invoked against the City. In no event shall the City be liable in excess of the consideration of this contract in the case of any such assignment, transfer, conveyance or sub-letting of the work or performance which is the subject hereof. The City reserves the right to withhold any monthly payment hereafter provided for in the event of an assignment or sub-letting of a portion of the work without the consent and knowledge of the City and by reserving such right, the City shall not be deemed to have waived its right to declare a full breach of this contract for Contractor's failure to comply with provisions hereof, such remedy being alternative only and exercisable at the option of the City.

**B. SCOPE OF WORK**

**DESCRIPTION AND LOCATION.** The site of the work herein contemplated is located and described generally as follows:

**BRANCH LIBRARY (MYSTIC PARK) AND FIRE STATION NO. 49 (NORTHWEST)**

and this contract is performable exclusively in Bexar County, Texas.

**2. GENERAL UNDERSTANDING.** Contractor at his own cost and expense shall furnish all supervision, tools, implements, machinery, labor, materials and accessories, such as are necessary and proper for the purpose, and pay all permit and license fees, and shall at his own cost and expense construct, build and complete, in a good, first class, substantial and workmanlike manner, the structures, work and improvements herein described or referred to in and upon a certain parcel or parcels of land hereinafter described or referred to, all according to this contract and the included instruments, prepared by

**Alamo Architects**

and now on file in the office of the Engineering Division of the Public Works Department; and according to field interpretations to be furnished Contractor by the City upon request. If figures or quantities of materials, supplies or other items needed for this project are furnished in the plans and specifications, same shall be understood to be estimates only and the Contractor shall be responsible for any discrepancies between such estimates and the quantities required.

**3. WORK UNDERSTOOD BY CONTRACTOR.** Contractor declares that prior to the submission of his bid proposal on this contract he has thoroughly examined the location of the work to be performed, is familiar with local conditions, and has read and thoroughly understands the "included instruments" as they relate to the physical conditions prevalent or likely to be encountered in the performance of the work at such location. Contractor hereby accepts such "included instruments" as satisfactory in all respects to accomplish the proper performance of the work at the project site and accordingly assumes the risk of any delays or additional costs which might arise from errors or miscalculations in such "included instruments" or from erroneous assumptions upon which same may have been predicated as to the physical conditions at the work site including, but not by way of limitation, latent defects or conditions of the subsoil.

**4. IMPLIED WORK.** Any work or materials that may have been omitted in the description of said project, but the use of which is implied or necessary to the project's completion, shall be deemed to be included in this contract and shall be furnished by the Contractor as if the same had been stated specifically, without any additional charge to the City.

**5. INCIDENTAL WORK, CONNECTIONS AND PASSAGEWAYS.** The Contractor shall do and perform all implied or incidental work necessary to completion of this contract including, but not by way of limitation, the following: Shall make and provide all suitable connections with existing improvements as are necessarily implied herein for proper completion of the project; shall provide passageways or leave open such thoroughfares in the work area as may be required by the City and shall protect and guard same at his own risk as more specifically detailed in Paragraph E-1 hereof; and shall continuously maintain the work area in a clean and workman-like manner and prior to final acceptance of the work, restore the site to its prior condition to the extent permitted by the improvement. All of said incidental work to be done to the satisfaction of the City at Contractor's own cost and expense.

**6. WORK AND MATERIALS.** All materials used by the Contractor shall conform to the specifications. However, if the specifications are silent, only the best quality materials shall be used, and in the event of dispute as to the relative quality of materials, the selection of the Director of Public Works shall be final. All of said work shall be executed in a good, thorough and workman-like manner, to the satisfaction of the Director of Public Works, who, together with all assistants and inspectors under his direction, or in the employ of the City for the purpose of said work, shall at all times have free access to the project site, stores and materials, and shall be privileged to take such samples of all materials and to cause tests of materials or of any part of the work to be made except as otherwise provided in the specifications. Contractor shall render all assistance required of him by the Director of Public Works or his aforementioned assistants or inspectors in connection with any such tests, and if any part of the work or the materials used shall be found unsuitable or improper, either wholly or in part, Contractor shall correct or remove such defective work or materials from the project site. In connection with the visual inspection or materials testing contemplated herein, it is clearly understood that the City exercises no right to control the means of accomplishing the end product of the work and no approval of any phase of the construction project by any of the City's agents or inspectors shall relieve the Contractor from full compliance with the specifications regarding the ultimate work product and any additional cost or delay occasioned by defects in the work or failure to meet specifications at any such phase shall be borne by the Contractor.

7. **CONTRACTOR'S RISK.** Contractor shall be responsible for the complete performance of and compliance with this contract, and for all materials on the ground or elsewhere, and for all the work performed under this contract, and shall protect the same from all loss or damage from any cause whatsoever until final completion and acceptance; and shall deliver said structures, work and improvements to the City in a completed and perfect condition in accordance with this contract.

**C. BEGINNING AND COMPLETION OF WORK, DAMAGES FOR DELAY**

1. **TIME TO BEGIN WORK.** The work embraced in this contract shall be begun by contractor within seven (7) days after City shall notify Contractor in writing to begin, and if such work be actually begun by Contractor before such notice, then the period of time herein allowed for the completion of the work shall begin to run from such date when work is actually commenced.

2. **COMPLETION OF WORK.**

a. **Work Day Contract** -- After beginning work as outlined in Paragraph C-1 above, the Contractor shall prosecute same continuously and diligently for and during the period of **Two Hundred Fifty (250) Working Days**, during which period of time Contractor binds and obligates himself at all times to employ sufficient force and diligence to complete said structures, work and improvements, and to deliver same over to the City in a completed, undamaged, and clean condition; and the time of beginning, rate of progress and time of completion of said work are hereby declared and understood to be of the essence of this contract; provided, however, said Director of Public Works may suspend said work wholly or in part by his written order whenever in his opinion the interests of the City require the suspension of such work, such orders not to continue in effect longer than one week at any one time. The City may, at its discretion, establish phases of the project or areas of the work to be performed and in such order or sequence as the City shall deem best in the public interest.

Should the work be delayed necessarily by any damage that may happen thereto by any unusual, unavoidable accident, or by the condition of the weather, or by action of the elements, or by any general strike of employees, or by shortage of materials, or by suspension of the work, or by any injunction or other court action or by any delay which may exist for the City to procure any title to lands or any right or interest therein needed for the purposes of said work, Contractor shall have no claim for damages on account of such delay, but working days will not be charged during the period of any such delays.

b. **Date Certain Contract** -- After beginning work as outlined in Paragraph C-1 above, the Contractor shall complete the work during which period of time Contractor binds and obligates himself at all times to employ sufficient force and diligence to complete said structures, work and improvements, and to deliver same over to the City in a completed, undamaged and clean condition; and the time of beginning, rate of progress and time of completion of said work are hereby declared and understood to be of the essence of this contract; provided, however, said Director of Public Works may suspend said work wholly or in part by his written order whenever in his opinion the interests of the City require the suspension of such work, such orders not to continue in effect longer than one week at any one time. The City may, at its discretion, establish phases of the project or areas of the work to be performed and in such order or sequence as the City shall deem best in the public interest. No additional time for completion will be allowed unless granted in writing by the Director of Public Works.

3. **DAMAGES FOR DELAY.** If Contractor shall fail to complete the work within the time herein specified or otherwise allowed therefor, he shall be liable for the wages of any inspector or inspectors employed by the City on said work at the rate of thirty-five dollars (\$35.00) per day per inspector from the end of said time allowed for the completion of the work, until actual completion thereof; and in addition to said wages of inspectors, the following sums per day for the period of such delay shall be paid or allowed by Contractor to City or be deducted by the City on final estimate and settlement, not as a penalty, but as liquidated damages due to City for expense, loss and public inconvenience resulting from failure to complete said work within the time allowed, such time of completion being an essential element and consideration, as a result of such delay:

<u>For Amount of Contract</u>	<u>Amount of Liquidated Damages per Day</u>
\$1,000,001 or over	\$350.00
\$ 750,001 to \$1,000,000	\$300.00
\$ 500,001 to \$ 750,000	\$250.00
\$ 250,001 to \$ 500,000	\$200.00
\$ 100,001 to \$ 250,000	\$150.00
\$ 50,001 to \$ 100,000	\$100.00
\$ 0 to \$ 50,000	\$ 50.00

The amount of all such damage shall be fixed and determined by the written certificate of Director of Public Works, whose judgment shall be final disposition thereof.

4. **COMPLETION.** Completion of the project will be considered only after all stipulations, requirements and provisions of this contract are faithfully completed and the project is delivered to the City for use. In the event that only minor items remain for completion, the Director of Public Works may issue a conditional approval in accordance with Paragraph D-2, listing the exceptions; however, the completion date will not be effective until all items noted as exceptions in the Conditional Approval have been corrected.

5. **NO WAIVER OF CITY'S RIGHTS.** Neither the inspection nor approval by said Director of Public Works or any inspector, officer or employee of the City, nor any order, measurement or certificate by said Director of Public Works, nor any estimate or payment by the City for any part of said work, or material or method or equipment, nor any extension of time, nor any possession of the work or place taken by the City, or any officer or employee thereof at any time before final acceptance, shall operate as a waiver of any provision or obligation of this contract or of any right or power herein given or reserved to said City, or of any right to claim any indemnity or damages herein provided for; nor shall any waiver of any breach of this contract be deemed as a waiver of any other or subsequent breach; and every right or remedy under this contract or included instruments shall be cumulative, and in addition to all other rights and remedies.

6. **OCCUPANCY.** The City, at the discretion of the Director of Public Works, shall have the right to take possession of and use any completed portion or partially completed portion of the structure or work, provided, in the opinion of the Director of Public Works, such possession or use does not materially affect the Contractor's ability to proceed with his work on the project. No additional time will be granted the Contractor for occupancy or possession and use of any partially completed or completed work, and such possession or use shall not constitute acceptance of the work taken or used.

#### D. PAYMENT

1. **PRICES AND CONSIDERATIONS.** In consideration of the faithful performance of this contract and the construction, completion, and delivery of said structures, work and improvements, the City of San Antonio agrees and shall be and is hereby bound and obligated to pay at the office of the Director of Finance of the City of San Antonio, in Bexar County, Texas, to the Contractor as hereinafter provided out of its fund 76

the following sum or amount or amounts, or prices, to-wit:

MATERIAL: :	_____	DOLLARS
SERVICES :	_____	DOLLARS
TOTAL :	<b>THREE MILLION, FOUR HUNDRED EIGHTEEN THOUSAND, THREE HUNDRED THIRTY AND</b>	
	<b>00/100</b>	<b>DOLLARS (\$3,418,330.00)</b>

the same being the amount or amounts or prices for said work named in the proposal of Contractor, attached hereto as an included instrument.

2. **MONTHLY ESTIMATES.** During the early part of each month as the work progresses said Director of Public Works shall make an estimate of the materials brought into the work and the labor performed during the preceding month, as well as the number of working days used during such month, and the City shall thereupon, about the middle of each month, make payments to Contractor of monthly installments based upon such estimate in a sum equivalent to ninety percent (90%) of each such monthly estimate. At the time the last monthly estimate is paid, a letter of conditional approval will be furnished the Contractor. The remaining ten percent (10%) of the estimated value shall be held by the City until the final settlement hereinafter provided for. However, where the contract price exceeds four hundred thousand dollars, installments shall be paid to Contractor at the rate of

ninety-five (95%) percent of each monthly estimate, and the retainage held until final acceptance shall be five (5%) percent. The payments of such installments shall be held to be payments on account of the contract sum, and the certificates or estimates of the Director of Public Works upon which such monthly payments are based shall be held to have been given only for the purposes of fixing the sums to be so paid in compliance with Paragraph D-5 hereof and shall not in any way be deemed to have been an acceptance of any part of the work, or to prejudice said City in the final settlement of account or in requiring the completion of the work as herein provided.

3. **FINAL ESTIMATE.** Contractor shall not be entitled to receive payment of any sum in excess of the amounts paid upon such monthly estimates as outlined above for at least thirty (30) days after transmittal of the letter of conditional approval and not before all the stipulations, requirements and provisions of this contract are faithfully performed and complied with, and unless and until said structures, work and improvements shall be entirely completed, and delivered to and accepted by the City in accordance with this contract; and such completion, delivery and acceptance is evidenced by the final certificate of the Director of Public Works and such certificate of acceptance is approved by the City Manager. Simultaneous with the transmittal of the final certificate of completion, delivery and acceptance, the Director of Public Works shall prepare his final estimate as the basis for final settlement upon this contract, whereupon the same having been first approved by the signature of the City Manager and Director of Finance, City shall pay to Contractor the amount of such final estimate, taking into account all amounts previously retained and deducted from such monthly estimates and remaining payable to Contractor, but deducting from the amount of such final estimate and retaining any and all sums which are to be deducted by the City or paid or allowed by the Contractor to City, or claimed for labor or materials furnished by any person, firm or corporation, or which are to be retained and held by City for any reason.

4. **CLAIMS FOR LABOR OR MATERIALS.** Contractor hereby agrees to promptly pay all persons supplying labor, services and materials in the prosecution of the work provided for in this contract and any and all duly authorized modifications of said contract that may hereafter be made, and shall and will fully indemnify and hold harmless the City against any and all claims, liens, suits or actions asserted by any person, persons, firm or corporation on account of labor, materials or services furnished such Contractor during the prosecution of the work herein undertaken and Contractor shall execute a bond for this purpose as hereinafter set out. Before the City shall be obliged to pay any amount to Contractor on final settlement, Contractor shall furnish to the satisfaction of the Director of Finance, evidence that all labor employed and all materials used in the construction of the work have been fully paid for by Contractor.

5. **DIRECTOR OF PUBLIC WORKS TO FINALLY DETERMINE ALL AMOUNTS PAYABLE OR CHARGEABLE.** It is specially understood and agreed that subject only to the prices, terms and provisions specifically set forth in this contract and included instruments, the written estimates and certificates of the Director of Public Works shall be final in fixing and determining amounts payable or chargeable hereunder to Contractor by City as required by the other terms and conditions hereof, also in case of controversy, in fixing and determining all unliquidated sums to be deducted and retained by City for any purpose whatever out of any funds estimated as payable to Contractor by City.

6. **ALTERATIONS AND EXTRA WORK.** Said Director of Public Works may, by his written order, approved by the signature of the City Manager, make deletions, alterations, modifications or additions in the specifications and plans for the work for the purpose of perfecting the work herein undertaken or the ramifications thereof, and the Contractor shall execute the work as so changed, provided the entire cost of such extra work as results from such changes, including the cost of extra work resulting from any prior alterations modifications, or additions so ordered, shall not exceed twenty-five percent (25%) of the original amount of the contract, as set out in paragraph D-1 hereof, and provided further that the price is agreed upon in writing before the work is done or materials furnished and that such agreement is signed by the Contractor and by the Director of Public Works and the City Manager, it being further agreed and understood that if no such agreement as to price can be reached after discussions, that payment by the City shall be upon the basis of cost of labor and materials plus ten percent (10%). The cost of such extra work shall be added to the estimates payable to the Contractor by the City, all of which shall be effected under the terms and provisions of this contract. The Director of Public Works may order the Contractor to omit any part or parts of the work remaining to be done and the City shall not be bound to pay for extra work so ordered to be omitted. No additional working time will be granted for alterations and/or extra work unless specified in said written order approving work.

#### **E. INDEMNIFICATION**

1. **CARE TO AVOID ACCIDENTS OR INJURY TO PERSON OR PROPERTY.** During the performance of the work within the contemplation of this contract and until final completion and acceptance thereof, Contractor shall exercise the utmost care to avoid accident or injury to persons or property. He shall place and maintain all necessary barriers and safeguards, including watchmen, if necessary, about the work site for the prevention of accidents and at night shall maintain adequate lights and other warning devices, and generally shall take all precautions requisite to the protection of the general public and properties adjacent to the work site. Contractor shall and will indemnify and save harmless the City from and against any and all actions and claims, and

against all costs, damages and expenses to which the City may be put by reason of any injury or alleged injury to person or property, resulting or alleged to result from or to be occasioned by the acts or omissions of the Contractor, whether negligent or otherwise, in the performance, conduct or maintenance of the work, or in guarding same, or from any improper methods, tools, implements or materials employed therein, or on account of any such acts or omissions of Contractor's agents, servants, employees, assignees or sub-contractors (including the agents, servants and employees of such sub-contractor); and Contractor or his insurer shall well and truly make payment of any and all sums recovered against the City in any suit or suits on account of such alleged injury or damage, to which the City may be made a party, together with all costs, damages and expenses borne by the City in connection with such suits, all in a manner as to save the City harmless from any expense connected with such actions and claims. The City is further authorized, upon the order of the Director of Public Works, to deduct or retain from any estimate or estimates or amounts retained hereunder, such sum as may be claimed for any injury or damage described above unless and until Contractor shall give a further and special bond or deposit adequate to cover such contingent liability as determined by the Director of Public Works or otherwise present evidence of full indemnification to the City in connection with such claims or actions.

2. **PATENTS, ETC.** Contractor agrees that he will at all times pay all fees, royalties or license charges on all patented, registered or copyrighted machines, materials, methods or processes used in the construction of said work and supplied as a part of the finished work, or appurtenant thereof; and that he will ever hold the City free and harmless from any and all claims on account of the use of any machines, materials, methods, or processes.

#### F. **INSURANCE**

1. The following types of insurance shall be furnished for the duration of the project, and two copies of Certificates of Insurance showing compliance with the provisions of this paragraph shall be furnished to the Department of Public Works prior to or at the time this contract is executed by the Contractor and before a Work Order is issued.

a. Workman's Compensation and Employers' Liability -- Statutory, \$500,000.00 each occurrence.

b. Commercial General (Public) Liability - - to include coverage for the following where the exposure exists: (1) Premises/Operations, (2) Independent Contractors, (3) Products/Completed Operations, (4) Personal Injury, (5) Contractual Liability, (6) Explosion, Collapse and underground property damage ---- Combined Single Limit for Bodily Injury and Property Damage: \$1,000,000.00 or its equivalent.

c. Business Automobile Liability Insurance -- to include coverage for: (1) Owned/Leased Automobiles, (2) Non-Owned Automobiles, (3) Hired Automobiles ---- Combined Single Limit for Bodily Injury and Property Damage: \$1,000,000.00 or its equivalent.

d. Builder's Risk Insurance.

The City shall be named as an additional insured in all coverage described above in paragraphs b through d.

In the submission of the Certificates of Insurance, the insurance company in every case must agree to providing notice of cancellation of any insurance to the City ten (10) days prior to such cancellation of policies covered by the certificates.

#### G. **BONDS**

1. **PERFORMANCE BOND.** Contractor hereby agrees to execute with sureties and deliver to the City, at once, a "Performance Bond" in the total amount of the contract price, \$3,418,330.00, approved by the City as to form and sufficiency, conditioned that Contractor shall faithfully perform, observe and comply with all the terms, conditions and stipulations, undertakings and provisions of the contract, said Performance Bond to be attached hereto as an included instrument.

2. **PAYMENT BOND.** Contractor hereby agrees to execute with sureties and to delivery to the City, at once, a "Payment Bond" in an amount at least equal to the contract price, such as shall be satisfactory to the City as to form and sufficiency, as security for the payment of all persons supplying labor and material in the prosecution of the work provided for in this contract; said Payment Bond to be attached hereto as an included instrument.

3. **CONTRACTOR AND SURETIES STILL BOUND.** No assignment, transfer or subletting, whether with or without the consent of said City, and no order of said City for or approval or any alterations or modifications in said specifications, plans, or work, and no change in the requirements or order for extra work made by the City as provided in this contract, shall ever in any manner release or diminish the responsibility of Contractor or any surety on any bond of Contractor, but on the contrary, such responsibility shall extend to and comprehend all such changes and other matters.

H. **COMPLIANCE WITH FEDERAL REGULATIONS**

1. The Contractor is responsible for compliance with all Federal regulations included in the City of San Antonio Compliance Manual, as may occasionally be amended. The Compliance Manual is incorporated and made part of this contract.

I. **INTEREST IN CITY CONTRACT PROHIBITED**

1. No officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or shall be financially interested, directly or indirectly, in the sale to the City of any land, materials, supplies or service, except on behalf of the City as an officer or employee. This prohibition extends to the City Public Service Board, City Water Board, and City boards and commissions other than those which are purely advisory.

This document and included instruments is the entire contract and recites the full consideration between the parties, there being no other written or parol agreement; it being understood that the Charter of the City of San Antonio requires all of its contracts to be written and made by ordinance.

The following paragraphs were deleted prior to execution

**IN WITNESS WHEREOF**, said City of San Antonio has lawfully caused these presents to be executed by the City Manager of said City, and the corporate seal of said City to be hereunto affixed and this instrument to be attested by the City Clerk; and the said Contractor, acting by **Raul H. Ramirez** thereunto duly authorized **President** does now sign, execute and deliver this instrument.

**DONE** at San Antonio, Texas on \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20 \_\_\_\_\_.

(CITY SEAL)

CITY OF SAN ANTONIO

ATTEST: \_\_\_\_\_  
City Clerk

BY: \_\_\_\_\_  
City Manager

**VALEMAS, INC.**  
Contractor

BY:   
Raul H. Ramirez, President

\_\_\_\_\_  
Secretary

PAYMENT BOND

STATE OF TEXAS )  
COUNTY OF BEXAR )  
CITY OF SAN ANTONIO )

Know all men by these presents:

1. That we Valemas, Inc., a Texas Corporation, acting by and through Raul H. Ramirez, President,  
as Principal, and

as Sureties, do hereby acknowledge ourselves to be held and firmly bound unto the City of San Antonio, a municipal corporation of the County of Bexar and State of Texas in the sum of \$3,418,330.00 for payment of which sum well and truly to be made in and unto said City of San Antonio, we do hereby bind and obligate ourselves, our heirs, executors, administrators, assigns, and successors, jointly and severally:

2. THE CONDITIONS OF THIS BOND, HOWEVER, ARE SUCH THAT WHEREAS, the said

**VALEMAS, INC.**

hereinafter called Contractor or Principal, has made and does this day make and enter into a certain contract in writing with said City of San Antonio, for the construction and completion for said City of certain structures, work and improvements generally described as

**BRANCH LIBRARY (MYSTIC PARK) AND FIRE STATION NO. 49 (NORTHWEST)**

and for the performance and observance of diverse other matters and things in connection with said work, and, interalia, therein entered into covenants and agreements to promptly pay all persons supplying labor, materials and services in the prosecution of the work provided for in said contract; all as more fully described in said contract and its included instruments which are expressly made a part of this obligation;

3. NOW THEREFORE, if Contractor, the Principal party to this obligation shall promptly make payment to all persons supplying labor and materials in the prosecution of the work provided for in said contract, and any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, then this obligation shall be and become null and void, but otherwise to remain in full force and effect: and it is hereby further understood and agreed that this bond shall be a continuous obligation against the principal and each member of said principal party hereto, and each and all sureties hereon, and that successive recoveries may be had thereon for each and every breach of this bond until the full amount thereof shall have been exhausted; and the liability of the sureties on this bond shall not be in any manner released or diminished by any changes in the work which may be authorized or directed by the City, nor by the exercise or failure to exercise by or on behalf of the City any right or remedy provided by the contract or specifications or by any law or ordinances.

4. It is further understood that this obligation is incurred pursuant to Vernon's Annotated Civil Statutes, Article 5160, as amended and that this obligation is for the benefit and sole protection of all persons supplying labor and materials in the prosecution of said contract.

5. IN TESTIMONY WHEREOF, witness our hands and the seal of any incorporated surety hereon this \_\_\_\_\_  
\_\_\_\_\_ day of \_\_\_\_\_ A.D. 20 \_\_\_\_\_.

6. The foregoing bond is approved and accepted  
this \_\_\_\_\_ day of \_\_\_\_\_,  
20 \_\_\_\_\_.

**VALEMAS, INC.**

By \_\_\_\_\_  
**Raul H. Ramirez, President**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Surety

(SEAL)

By \_\_\_\_\_

\_\_\_\_\_  
Address of Surety for Service Purposes

PERFORMANCE BOND

STATE OF TEXAS )  
COUNTY OF BEXAR )  
CITY OF SAN ANTONIO )

Know all men by these presents:

1. That we **Valemas, Inc., a Texas Corporation, acting by and through Raul H. Ramirez, President,**  
as Principal, and

as Sureties, do hereby acknowledge ourselves to be held and firmly bound unto the City of San Antonio, a municipal corporation of the County of Bexar and State of Texas in the sum of **\$3,418,330.00** for payment of which sum well and truly to be made in and unto said City of San Antonio, we do hereby bind and obligate ourselves, our heirs, executors, administrators, assigns, and successors, jointly and severally:

2. THE CONDITIONS OF THIS BOND, HOWEVER, ARE SUCH THAT WHEREAS, the said

**VALEMAS, INC.**

hereinafter called Contractor or Principal, has made and does this day make and enter into a certain contract in writing with said City of San Antonio, for the construction and completion for said City of certain structures, work and improvements generally described as

**BRANCH LIBRARY (MYSTIC PARK) AND FIRE STATION NO. 49 (NORHTWEST)**

and for the performance and observance of diverse other matters and things in connection with said work; all as more fully described in said contract and its included instruments which are expressly made a part of this obligation.

3. NOW THEREFORE, if Contractor, the principal party to this obligation shall faithfully construct and complete said structures, work and improvements, and shall observe, perform and comply with all the terms, conditions, stipulations, undertakings and provisions of said contract and all included instruments, according to their intent and purpose insofar as the same relate to or are incident to the construction and completion of said structures, work and improvements then and thereupon this obligation shall be and become null and void, but otherwise to remain in full force and effect; and it is hereby further understood and agreed that this bond shall be a continuous obligation against the principal and each member of said principal party hereto, and each and all sureties hereon, and that successive recoveries may be had hereon for each and every breach of this bond until the full amount thereof shall have been exhausted; and the liability of the sureties on this bond shall not be in any manner released or diminished by any changes in the work which may be authorized or directed by the City, nor by the exercise or failure to exercise by or on behalf of the City any right or remedy provided by the contract or specifications or by any law or ordinance.

4. IN TESTIMONY WHEREOF, witness our hands and the seal of any incorporated surety hereon this

\_\_\_\_\_ day of \_\_\_\_\_ A.D. 20 \_\_\_\_\_.

5. The foregoing bond is approved and accepted

VALEMAS, INC.

this \_\_\_\_\_ day of \_\_\_\_\_  
20 \_\_\_\_\_

By

\_\_\_\_\_  
**Raul H. Ramirez, President**

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Surety

(SEAL)

By

\_\_\_\_\_  
Address of Surety for Service Purposes