

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

**CONSENT AGENDA**

**ITEM NO. 19**

**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, Peter Zanoni, Milo D. Nitschke, and file

**SUBJECT:** Goliad Road Outfall, Phase I

**DATE:** May 20, 2004

**SUMMARY AND RECOMMENDATIONS**

This ordinance accepts the low responsive bid and awards a construction contract in the amount of \$1,194,556.89 payable to KGME, Inc., an MBE, authorizes \$119,455.69 for construction contingency expenses, and \$1,000.00 for advertising expenses for an overall total of \$1,315,012.58 in connection with Goliad Road Outfall, Phase I, an authorized 2003 Storm Water Revenue Bond project, located in Council District 3.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

This project improves the existing drainage channel, which runs alongside Goliad Road from Military Drive to IH 37. Phase I includes the widening and deepening of the existing earthen channel located on Brooks City Base from S.E. Military Drive to the culvert at Goliad Road. This project provides an adequate drainage outfall for the Goliad Road (Pecan Valley to Military Drive) project. The channel has been designed to withstand a 100-year storm event. Construction is scheduled to begin June 2004 and be completed by December 2004.

This Project was advertised for construction bids in the Commercial Recorder, the San Antonio Informer, and La Prensa in March 2004. In addition, the bid announcement was made on TVSA, through the SBEDA Office and Dodge Report. Plans were also available for review by potential bidders in the Public Works Office.

Bids for the Project were opened on April 14, 2004 with six (6) bidders responding. A matrix reflecting the outcome of the bid process is attached.

The Economic Development Department has reviewed and approved the Good Faith Effort Plan submitted by KGME, Inc., and the contractor has committed \$1,149,163.73 or 96.2% of services will be provided by MBE firms and \$16,723.80 by WBE firms or 1.4%. The Memorandum from the Economic Development Department is included herein as Attachment 3. The contract provides for one hundred eighty (180) calendar days to complete the project. KGME, Inc. currently has three (3) construction contracts with the City of San Antonio through the Public Works Department in the total amount of \$4,233,677.00. A current list of projects is included herein as Attachment 4. An Administrative Hearing was held with KGME on May 4, 2004 to discuss the status of all current projects, as well as the award of this project. Based on information provided at the Administrative Hearing, Tom Wendorf, the Public Works Director, along with City staff recommended that KGME be awarded this contract.

### **POLICY ANALYSIS**

Approval of this ordinance will be a continuation of City Council policy to complete previously approved 2003 Storm Water Revenue Bond funded Capital Improvement Projects.

### **FISCAL IMPACT**

This is a one-time capital improvement expenditure within budget and is not included in the FY 04-09 Capital Improvement Program Budget. Projects associated with the sale of the Storm Water Revenue Bonds were not included in the FY 04-09 Capital Improvement Program Budget as the projects were not specifically identified when the Capital Budget was approved. Approval of this ordinance will appropriately modify the Capital Budget. The amount of \$1,315,012.58 is available from 2003 Storm Water Revenue Bonds and is authorized payable as follows:

\$ 1,194,556.89	payable to KGME, Inc. for construction expenses
\$ 119,455.69	payable for miscellaneous construction contingency
\$ 1,000.00	payable for advertising expenses

### **COORDINATION**

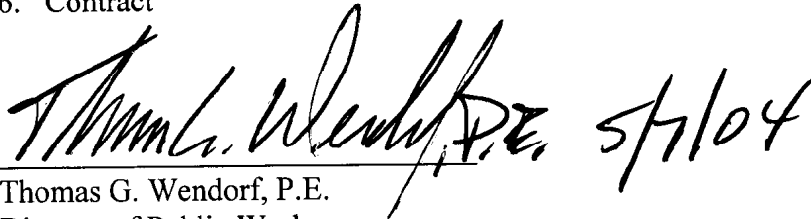
This request for ordinance has been coordinated with the Office of Management and Budget, the Economic Development Department and the Finance Department.

### **SUPPLEMENTARY COMMENTS**


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

## ATTACHMENTS

1. Project Map
2. Bid Tabulation
3. Economic Development Department Memorandum, dated April 27, 2004
4. Current Project List, KGME, Inc.
5. Proposal
6. Contract

 5/7/04

Thomas G. Wendorf, P.E.  
Director of Public Works

  
Melissa Byrne Vossmer  
Assistant City Manager

Approved:

  
Terry M. Brechtel  
City Manager

# **GOLIAD RD. OUTFALL CHANNEL PHASE I**

**S.E. MILITARY RD.**

**BROOKS CITY BASE**

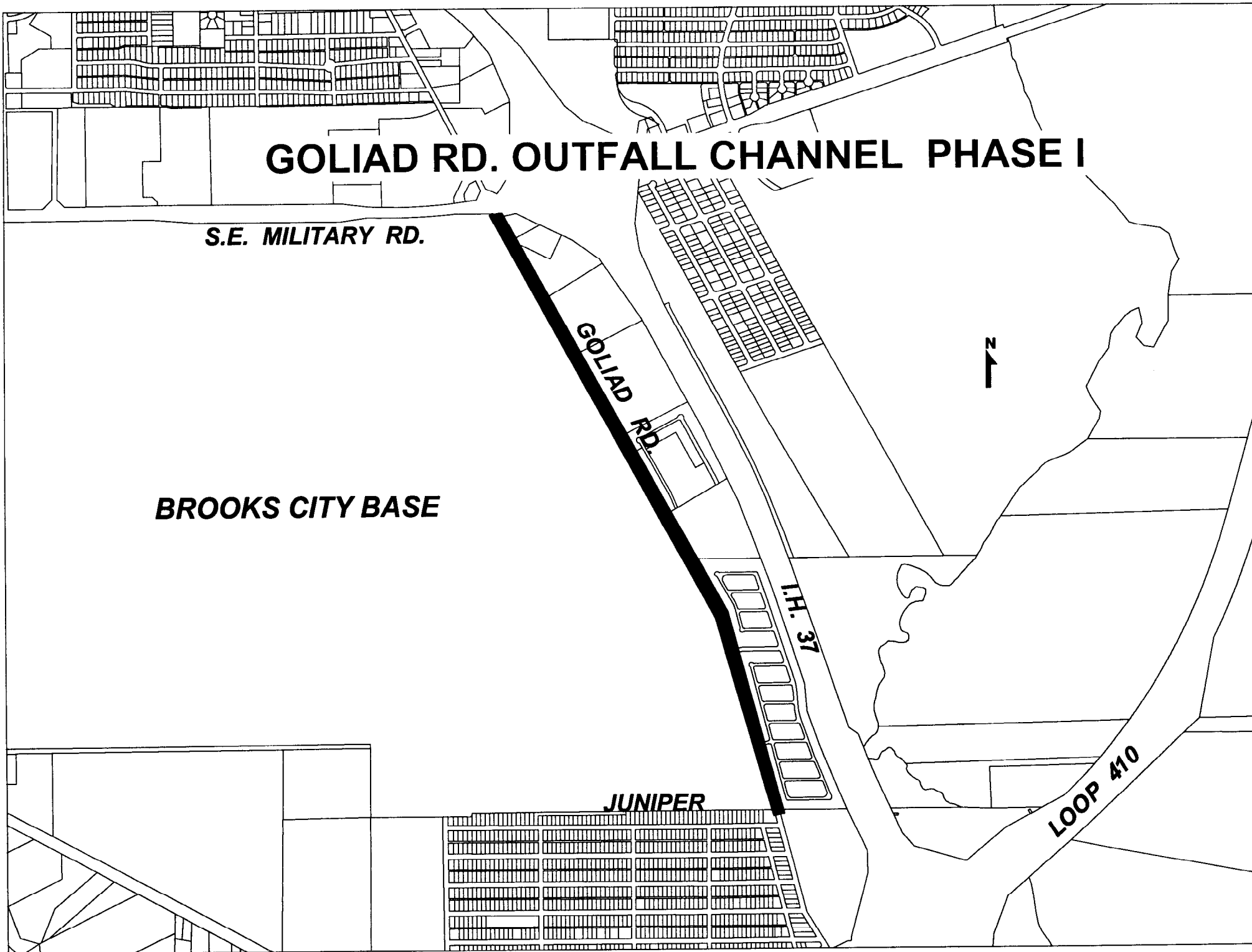
**GOLIAD RD.**

**N**

**I.H. 37**

**JUNIPER**

**LOOP 410**



**CITY OF SAN ANTONIO**  
**Interdepartmental Correspondence Sheet**

To: William E. Krause, Capital Programs Manager  
From: Samuel Hutchins, P.E., Project Manager  
Copies: Plans and Records, File  
Subject: Goliad Road Drainage Outfall – S.E. Military Drive to Goliad Road

Date: April 22, 2004

**Bids opened and received:**  
April 14, 2004

**Bid Tabulation**

Contractor	Base Bid Grand Total
<b>M &amp; M Contracting</b>	<b>\$1,623,601.77</b>
<b>KGME Civil Construction</b>	<b>\$1,194,556.87</b>
<b>EZ Bel</b>	<b>\$1,968,695.00</b>
<b>San Antonio Constructors</b>	<b>\$2,309,057.00</b>
<b>Pronto Sandblasting</b>	<b>\$1,397,083.00</b>
<b>Dayco Construction</b>	<b>\$1,538,753.45</b>

**CITY OF SAN ANTONIO  
Interdepartmental Correspondence Sheet**

To: Douglas W. Yerkes, Ph.D., P.E., City Engineer  
From: Razi S. Hosseini, P.E., Assistant City Engineer  
Copies: Plans & Records, File  
Subject: Goliad Road Drainage Outfall – S.E. Military Drive to Goliad Road  
Contract Award Recommendation

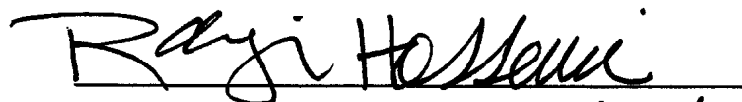
Date: April 26, 2004

On Wednesday April 14, 2004, bids for the referenced project were opened and read aloud. The low bidder was KGME, Inc. in the amount of \$1,194,556.89. Nine Contractors had picked up plans and specifications for this project, from which six Contractors submitted bids.

KGME, Inc. has constructed a number of Capital Improvement Projects (CIP) for the City and currently has three CIP under construction for the City. We recommend awarding this contract to KGME, Inc. in the amount of \$1,194,556.89.

Attached herewith are the following:

- Project Scope
- Low Bidder's Unit Price Evaluation
- Quantities Verification
- Bid Tabulations
- Bid Proposals

  
Razi S. Hosseini, P.E.  
Assistant City Engineer 4127104

Approved:

Douglas W. Yerkes, Ph.D., P.E.  
City Engineer

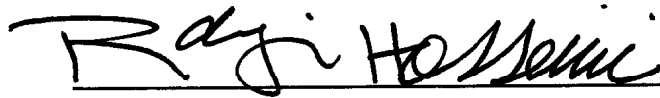
CC: Plans & Records, File

**CITY OF SAN ANTONIO**  
**Interdepartmental Correspondence Sheet**

To: Douglas W. Yerkes, Ph.D., P.E., City Engineer  
From: Razi S. Hosseini, P.E., Assistant City Engineer  
Copies: Plans & Records, File  
Subject: Goliad Road Drainage Outfall – S.E. Military Drive to Goliad Road  
Project Scope

Date: April 26, 2004

The scope of the Goliad Road Drainage Outfall project is the widening and deepening of the existing channel along Goliad Road within the Brooks City Base property from S.E. Military Drive to the existing drainage structure under Goliad Road. The channel has been designed for a 100-year storm event.

  
\_\_\_\_\_  
Razi S. Hosseini, P.E.  
Assistant City Engineer

4/27/04

Approved:

Douglas W. Yerkes, Ph.D., P.E.  
City Engineer

CC: Plans & Records, File

**LOW BIDDER'S UNIT PRICE EVALUATION**  
(Exceeding 5% Over City's Unit Prices)

GOLIAD ROAD DRAINAGE OUTFALL - S.E. Military Drive to Goliad Road  
Department of Public Works, Engineering Division  
April 14, 2004 Bid Date

Item	Description	Unit	Bid Quantity	Verified Quantity	City's Unit Price	KGME, Inc Unit Price	Percentage Exceeded
101	PREPARING RIGHT OF WAY	LS	1	1	\$54,107.93	\$119,173.95	120%
107	EMBANKMENT	CY	1,000	1,000	\$4.22	\$7.66	82%
401.1	RCP LATERALS (DIAMETER VARIES 24" TO 36")	LF	100	100	\$64.38	\$241.61	275%
530	BARRICADES	LS	1	1	\$5,000.00	\$5,988.85	20%
801.2	TREE TRUNK PROTECTION	LF	500	500	\$5.00	\$43.15	763%
802.1	TREE PRUNING	EA	100	100	\$50.00	\$150.83	202%
SUP 2	MICROSTATION VERSION 8 WITH LICENSE	EA	1	1	\$4,450.00	\$5,075.00	14%

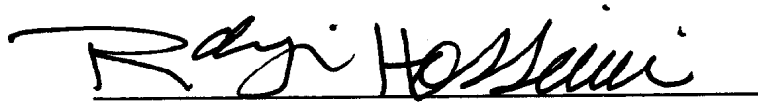


**CITY OF SAN ANTONIO**  
**Interdepartmental Correspondence Sheet**

To: Douglas W. Yerkes, Ph.D., P.E., City Engineer  
From: Razi S. Hosseini, P.E., Assistant City Engineer  
Copies: Plans & Records, File  
Subject: Goliad Road Drainage Outfall – S.E. Military Drive to Goliad Road  
Letter Verifying Quantities

Date: April 26, 2004

This letter is intended to serve as written notification that the quantities for which the Contractor's unit price exceeds the City's average unit price by 5% have been verified. The quantities are to the best of our knowledge, correct as presented in the bid proposal.

  
\_\_\_\_\_  
Razi S. Hosseini, P.E. 4/27/04  
Assistant City Engineer

Approved:

Douglas W. Yerkes, Ph.D., P.E.  
City Engineer

CC: Plans & Records, File

BID TABULATION

GOLIAD ROAD DRAINAGE OUTFALL - S.E. Military Drive to Goliad Road

Bid Date: April 14, 2004 @ 1:00 PM

Engineer's Construction Cost Estimate: \$ 1,596,183.88

BID ITEM NO.	ITEM DESCRIPTION	QUAN.	UNIT	KGME, INC.		PRONTO SANDBLASTING		DAYCO CONSTRUCTION	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
100	MOBILIZATION	1	LS	\$119,455.69	\$119,455.69	\$127,000.00	\$127,000.00	\$153,736.00	\$153,736.00
100.1	INSURANCE AND BOND	1	LS	\$22,957.25	\$22,957.25	\$47,000.00	\$47,000.00	\$19,000.00	\$19,000.00
101	PREPARING RIGHT OF WAY	1	LS	\$119,173.95	\$119,173.95	\$47,000.00	\$47,000.00	\$35,000.00	\$35,000.00
105	CHANNEL EXCAVATION	283,795	CY	\$2.36	\$669,756.20	\$3.40	\$964,903.00	\$4.11	\$1,166,397.45
107	EMBANKMENT	1,000	CY	\$7.66	\$7,660.00	\$5.00	\$5,000.00	\$2.00	\$2,000.00
401.1	RCP LATERALS (DIAMETER VARIES 24" TO 36")	100	LF	\$241.61	\$24,161.00	\$100.00	\$10,000.00	\$50.00	\$5,000.00
410.2	GRAVEL SUBGRADE FILLER	500	CY	\$14.56	\$7,280.00	\$20.00	\$10,000.00	\$20.50	\$10,250.00
505	RIP RAP (5" THICK)	1,300	SY	\$39.40	\$51,220.00	\$65.00	\$84,500.00	\$38.00	\$49,400.00
520	HYDROMULCHING	169,600	SY	\$0.48	\$81,408.00	\$0.30	\$50,880.00	\$0.20	\$33,920.00
530	BARRICADES	1	LS	\$5,988.85	\$5,988.85	\$1,000.00	\$1,000.00	\$6,000.00	\$6,000.00
553	SW3P	1	LS	\$31,357.95	\$31,357.95	\$17,000.00	\$17,000.00	\$15,000.00	\$15,000.00
801.1	ROOT PROTECTION FENCING	3,000	LF	\$1.01	\$3,030.00	\$2.00	\$6,000.00	\$3.30	\$9,900.00
801.2	TREE TRUNK PROTECTION	500	LF	\$43.15	\$21,575.00	\$4.00	\$2,000.00	\$7.50	\$3,750.00
802.1	TREE PRUNING	100	EA	\$150.83	\$15,083.00	\$48.00	\$4,800.00	\$150.00	\$15,000.00
SUP 1	GEOPAK CIVIL ENGINEERING SUITE WITH LICENSE	1	EA	\$7,375.00	\$7,375.00	\$14,000.00	\$14,000.00	\$6,900.00	\$6,900.00
SUP 2	MICROSTATION VERSION 8 WITH LICENSE	1	EA	\$5,075.00	\$5,075.00	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00
SUP 3	COMPUTER WITH MONITOR AND WINDOWS XP PROFESSIONAL	1	EA	\$2,000.00	\$2,000.00	\$3,000.00	\$3,000.00	\$2,500.00	\$2,500.00
TOTAL				\$1,194,556.89		\$1,397,083.00		\$1,538,753.45	

BID ITEM NO.	ITEM DESCRIPTION	QUAN.	UNIT	M&M CONTRACTING		E-Z BELL CONSTRUCTION		AN ANTONIO CONSTRUCTOR	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
100	MOBILIZATION	1	LS	\$27,492.16	\$27,492.16	\$100,000.00	\$100,000.00	\$215,251.08	\$215,251.08
100.1	INSURANCE AND BOND	1	LS	\$26,907.62	\$26,907.62	\$45,000.00	\$45,000.00	\$58,704.84	\$58,704.84
101	PREPARING RIGHT OF WAY	1	LS	\$55,696.04	\$55,696.04	\$100,000.00	\$100,000.00	\$78,273.12	\$78,273.12
105	CHANNEL EXCAVATION	283,795	CY	\$4.56	\$1,294,105.20	\$5.00	\$1,418,975.00	\$6.00	\$1,702,770.00
107	EMBANKMENT	1,000	CY	\$3.74	\$3,740.00	\$7.00	\$7,000.00	\$5.00	\$5,000.00
401.1	RCP LATERALS (DIAMETER VARIES 24" TO 36")	100	LF	\$74.36	\$7,436.00	\$100.00	\$10,000.00	\$60.00	\$6,000.00
410.2	GRAVEL SUBGRADE FILLER	500	CY	\$18.14	\$9,070.00	\$15.00	\$7,500.00	\$16.00	\$8,000.00
505	RIP RAP (5" THICK)	1,300	SY	\$67.91	\$88,283.00	\$45.00	\$58,500.00	\$45.00	\$58,500.00
520	HYDROMULCHING	169,600	SY	\$0.27	\$45,792.00	\$0.70	\$118,720.00	\$0.39	\$66,144.00
530	BARRICADES	1	LS	\$2,102.16	\$2,102.16	\$50,000.00	\$50,000.00	\$14,000.00	\$14,000.00
553	SW3P	1	LS	\$20,580.12	\$20,580.12	\$10,000.00	\$10,000.00	\$5,000.00	\$5,000.00
801.1	ROOT PROTECTION FENCING	3,000	LF	\$2.10	\$6,300.00	\$5.00	\$15,000.00	\$6.00	\$18,000.00
801.2	TREE TRUNK PROTECTION	500	LF	\$27.26	\$13,630.00	\$3.00	\$1,500.00	\$10.00	\$5,000.00
802.1	TREE PRUNING	100	EA	\$54.40	\$5,440.00	\$110.00	\$11,000.00	\$500.00	\$50,000.00
SUP 1	GEOPAK CIVIL ENGINEERING SUITE WITH LICENSE	1	EA	\$7,777.98	\$7,777.98	\$6,500.00	\$6,500.00	\$9,210.00	\$9,210.00
SUP 2	MICROSTATION VERSION 8 WITH LICENSE	1	EA	\$5,360.00	\$5,360.00	\$5,500.00	\$5,500.00	\$6,504.00	\$6,504.00
SUP 3	COMPUTER WITH MONITOR AND WINDOWS XP PROFESSIONAL	1	EA	\$3,888.99	\$3,888.99	\$3,500.00	\$3,500.00	\$2,700.00	\$2,700.00
TOTAL				\$1,623,601.27		\$1,968,695.00		\$2,309,057.04	

RECEIVED  
APR 29 2004  
CITY OF SAN ANTONIO  
PUBLIC WORKS CAPITAL PROGRAMS

City of San Antonio  
Economic Development Department  
Interdepartmental Memorandum

William Kraus, Capital Programs, Manager, Public Works Department

FROM: Anita Uribe Martin, Manager, Economic Development Department

COPIES: Denise Shaffer; File

SUBJECT: List of Subcontractors Submitted for the Goliad Road Drainage Outfall – SE Military to Goliad Road Package

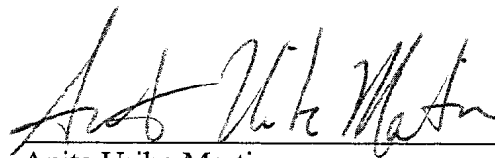
DATE: April 27, 2004

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We have reviewed the Good Faith Effort Plan and list of subcontractors for the **Goliad Road Drainage Outfall – SE Military to Goliad Road Package**. The apparent low bidder has submitted contract amounts, which are reflected in the accurate percentages below.

<u>Total Project Cost</u>					
\$1,194,556.89					
FIRM	CERTIFIED	MBE	WBE	AABE	GFEP
KGME	YES	96.2% \$1,149,163.73	1.4% \$16,723.80	0%	APPROVED

If there are any questions, please feel free to contact me at (210) 207-3901.



Anita Uribe Martin  
Economic Development Manager  
Small Business Outreach Division

AUM/hv

# Contractor List

<b>Contractor</b>		KGME, Inc.			
<b>Project Name</b>	<b>Team</b>	<b>District</b>	<b>Start</b>	<b>Completion</b>	<b>Amount</b>
Harris Storm Drainage	5	5	09/03	08/04	\$1,451,073
Mockert Street Area	5	5	08/03	08/04	\$1,372,561
Octavia #63 Phase II, Part I	5	5	01/04	09/04	\$1,410,043
<b>Sum of Contracts</b>					<b>\$4,233,677</b>
<b>Grand Total of Contracts</b>					<b>\$4,233,677</b>

**PROPOSAL**  
**TO**  
**CITY OF SAN ANTONIO TEXAS**  
**FOR THE CONSTRUCTION OF**

**GOLIAD ROAD DRAINAGE OUTFALL**  
**S.E. Military Dr. To Goliad Road**  
**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 One Hundred Eighty (180) calendar days

Accompanying this Proposal is a Bid Guaranty in the amount of \_\_\_\_\_

\_\_\_\_\_ Dollars (\$ \_\_\_\_\_) ~~said amount being~~

5% percent 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) calendar 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.

City of San Antonio / Public Works  
Project Name: GOLIAD ROAD DRAINAGE OUTFALL  
S.E. MILITARY Drive TO GOLIAD Road

ITEM No.	BID ITEM DESCRIPTION	UNITS OF MEASURE	APROX. QUANTITIES	UNIT BID PRICE	AMOUNT	SEQUENCE NUMBER
City of San Antonio Texas - Base Bid						
100	MOBILIZATION	LS	1	\$ 119,455.69	\$ 119,455.69	1
100.1	INSURANCE & BONDS	LS	1	\$ 22,957.25	\$ 22,957.25	2
101	PREPARING RIGHT OF WAY	LS	1	\$ 119,173.95	\$ 119,173.95	3
105	CHANNEL EXCAVATION	CY	283795	\$ 2.36	\$ 669,756.20	4
107	EMBANKMENT	CY	1000	\$ 7.66	\$ 7,660.00	5
401.1	RCP LATERALS (Diameter Varies 24" to 36")	LF	100	\$ 241.61	\$ 24,161.00	6
410.2	GRAVEL SUBGRADE FILLER	CY	500	\$ 14.56	\$ 7,280.00	7
505	RIP RAP (5" THICK)	SY	1300	\$ 39.40	\$ 51,220.00	8
520	HYDROMULCHING	SY	169600	\$ 0.48	\$ 81,408.00	9
530	BARRICADES	LS	1	\$ 5,988.85	\$ 5,988.85	10
553	SW3P	LS	1	\$ 31,357.95	\$ 31,357.95	11
801.1	ROOT PROTECTION FENCING	LF	3000	\$ 1.01	\$ 3,030.00	12
801.2	TREE TRUNK PROTECTION	LF	500	\$ 43.15	\$ 21,575.00	13
802.1	TREE PRUNING	TREE	100	\$ 150.83	\$ 15,083.00	14
SUP 1	GEOPAK ENGINEERING SUITE WITH LICENSE	EA	1	\$ 7,375.00	\$ 7,375.00	15
SUP 2	MICROSTATION VERSION 8 WITH LICENSE	EA	1	\$ 5,075.00	\$ 5,075.00	16
SUP 3	COMPUTER & WINDOWS XP PROFESSIONAL LICENSE	EA	1	\$ 2,000.00	\$ 2,000.00	17

**TOTAL BID AMOUNT: \$ 1,194,556.89**

**TOTAL BID AMOUNT: \$ 1,194,556.89**

KGME, Inc. certifies that the unit prices shown on this complete computer print-out for all the bid items and the alternates contained in the proposal are the unit prices intended and that its bid will be tabulated using these unit prices and no other information from this print-out. KGME, Inc. acknowledges and agrees that the total bid amount shown will be read as its total bid and further agrees that the total bid amount will be determined by multiplying the unit bid prices shown in this print-out by the respective estimated quantities shown in the proposal and then totaling all the extended amounts.

Signed: J. R. Muller

Title: President

Date: 4-14-04

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 Illinois, acting by its officers pursuant to its by-laws or a resolution of its Board of Directors.

J. ABEL GODINES

(Name of Bidder)

By: J. Abel Godines

(Signature)

4/13/04

Date

President

(Title)

ATTEST:

Witness

Amount of Base Bid (Insert Amount in Words and Numbers): ONE MILLION ONE HUNDRED

and NINETY FOUR THOUSAND FIVE HUNDRED and FIFTY SIX Dollars

and EIGHTY NINE Cents \$ 1,194,556.89

Alternates (if applicable):

(1) \_\_\_\_\_

(3) \_\_\_\_\_

(2) \_\_\_\_\_

(4) \_\_\_\_\_

KGME, Inc.

Company's Name

210-340-0540

Telephone No.

4820 Bacon Rd.

Address

210-340-0560

Fax No.

San Antonio, TX

City & State

78249

Zip Code

THE CITY OF SAN ANTONIO

CALENDAR DAY  
CONTRACT  
(CDC)  
(Standard Form)

THIS AGREEMENT made the 20<sup>TH</sup> day of May in the year 2004 by and between \_\_\_\_\_  
KGME, INC., hereinafter called the "Contractor", and the City of San Antonio, Texas,  
hereinafter called the "City or the "Owner".

WITNESSETH, that the Contractor and the Owner for the consideration hereinafter named agree as follows:

Article 1. Scope of the Work - The Contractor shall furnish all the materials and perform all the Work called for in the Contract Documents and more specifically described in the Plans and Specification for the Project entitled:

**GOLIAD ROAD DRAINAGE OUTFALL - S.E. MILITARY DRIVE TO GOLIAD ROAD**

Prepared by CITY OF SAN ANTONIO PUBLIC WORKS, acting as, and in these Contract Documents entitled, the Project Design "Consultant".

Article 2. Time of Completion - The Contractor shall begin Work at the job site within seven (7) calendar days after the date of the Owner's written Authorization to Proceed issued by the Owner's Representative. The Work to be performed under this Agreement is to be completed by Contractor in ONE HUNDRED EIGHTY ( 180 ) Calendar Days. For each Calendar Day that any Work is not completed after the expiration of Calendar Days stated above, plus any Extended Calendar Days granted by Owner in accordance with the Contract Documents, the sum as shown in the table below will be deducted from the money due or to become due the Contractor, not as a penalty, but as mutually agreed to liquidated damages and added expense for Owner Contract administration, not otherwise susceptible to exact determination by Owner and Contractor prior to the execution of this Agreement.

<u>Amount of Contract</u>	<u>Liquidated Damages per Day</u>
\$1,000,001 or Over	\$700.00
\$ 750,001 to \$1,000,000	\$600.00
\$ 500,001 to \$ 750,000	\$500.00
\$ 250,001 to \$ 500,000	\$400.00
\$ 100,001 to \$ 250,000	\$300.00
\$ 50,001 to \$ 100,000	\$200.00
\$ 1 to \$ 50,000	\$100.00



Article 3. The Contract Sum - The Owner shall pay the Contractor for the proper performance of the Contract, subject to additions and deduction provided therein, the Contract sum of:

Materials: \_\_\_\_\_  
\_\_\_\_\_ Dollars, (\$ \_\_\_\_\_ )

Services: \_\_\_\_\_  
\_\_\_\_\_ Dollars, (\$ \_\_\_\_\_ )

Total: ONE MILLION, ONE HUNDRED NINETY FOUR THOUSAND, FIVE HUNDRED FIFTY SIX AND 89/100  
\_\_\_\_\_ Dollars, (\$1,194,556.89 )

Article 4. Partial Payment - Each month, the Owner shall make a progress payment as approved by the Owner's Representative in accordance with Article VII of the General Conditions.

Article 5. Acceptance and Final Payment - Final Payment shall be due on final Owner acceptance of the Project Work, provided the Contract has been completed by Contractor as provided in Article IX of the General Conditions.

Before issuance of the final payment, the Contractor shall submit an affidavit and reasonable additional supporting evidence if required, as satisfactory to the Director of Finance, City of San Antonio, that all labor payrolls, construction materials and supply bills, subcontractors, and other indebtedness connected with the Work have been paid in full, or that an outstanding debt is being disputed and that the corporate surety or its agent is processing the outstanding claim and is willing to defend and/or indemnify the City should the City make final Contract payment.

Article 6. The Contract Documents - This Calendar Day Contract (Standard Form) the General Conditions, Special Conditions, Supplemental Conditions, Specifications, Addenda, Completed Bid Proposal Form, Invitation For Bids, Instructions to Bidders, Plans, Field Directives, Field Alterations, and Payment, Performance and Extended Warranty Bonds, form the Contract Documents and they are as fully a part of this Agreement as if hereto attached or herein repeated.

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 to by the City Clerk;

DONE at San Antonio, Texas, on the day and year first written above.

CITY OF SAN ANTONIO

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

IN WITNESS WHEREOF, said Contractor has thoroughly read and understands this Agreement and the Contract Documents and the nature of this legal commitment and lawfully caused these presents to be executed by Contractor's legally authorized representative and does hereby deliver this legally binding instrument;

DONE at San Antonio, Texas, on the day and year first written above.

(Seal if Agreement is with Corporation)

KGME, INC.

Contractor

ATTEST:

BY:

Simon Salas

SIMON SALAS

COUNSEL

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Title

STATE OF TEXAS        )

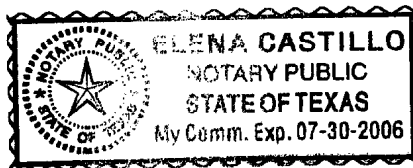
COUNTY OF BEXAR     )

This instrument was acknowledged before me on this the 10<sup>th</sup> day of May 2004  
by Simon Salas Counsel of KGME, Inc. an  
Illinois Corporation on behalf of said Corporation

Elena Castillo  
NOTARY PUBLIC in and for the State of  
TEXAS

Elena Castillo  
NOTARY'S PRINTED SIGNATURE

7-30-2006  
MY COMMISSION EXPIRES:



PAYMENT BOND

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

Know all men by these presents:

1. That we **KGME, Inc., an Illinois Corporation, acting by and through J. Abel Godines, 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 **\$1,194,556.89** 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

**KGME, 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

**GOLIAD ROAD DRAINAGE OUTFALL - S.E. MILITARY DRIVE TO GOLIAD ROAD**

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 \_\_\_\_\_.

**KGME, INC.**

By \_\_\_\_\_  
**J. ABEL GODINES, PRESIDENT**

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

\_\_\_\_\_  
Surety

(SEAL)

By \_\_\_\_\_

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

PERFORMANCE BOND

STATE OF TEXAS                    )  
COUNTY OF BEXAR                )        Know all men by these presents:  
CITY OF SAN ANTONIO            )

1. That we **KGME, Inc.**, an Illinois Corporation, acting by and through **J. Abel Godines, 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 **\$1,194,556.89** 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

**KGME, 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

**GOLIAD ROAD DRAINAGE OUTFALL - S.E. MILITARY DRIVE TO GOLIAD ROAD**

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

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

**KGME, INC.**

By

\_\_\_\_\_  
**J. ABEL GODINES, PRESIDENT**

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

(SEAL)

\_\_\_\_\_  
Surety

By

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