

**LESTER & CANTRELL, LLP**  
**ATTORNEYS AT LAW**

Writer's E-Mail Address:  
[mkraus@lc-lawyers.com](mailto:mkraus@lc-lawyers.com)

January 9, 2019

**Sent via Certified Mail Return Receipt & Email – trigoni@rialtoca.gov**

City of Rialto  
Attn: Ted Rigoni, PE, PMP  
Lockwood Engineering Consultant  
335 W. Rialto Ave.  
Rialto, CA 92376

**Sent via Certified Mail Return Receipt & Email – reisenbeisz@rialtoca.gov**

City of Rialto  
Attn: Robert Eisenbeisz, PE  
150 S. Palm Avenue  
Rialto, CA 92376

**Re: RC Construction Services, Inc. Bid Protest on Frisbee Park Expansion  
(City of Rialto Project No. 150304)  
Our File No. 1022-001**

Dear Messrs. Rigoni and Eisenbeisz:

You may recall, this office is legal counsel for RC Graves Construction ("RCG"). This letter is in response to the bid protests the City of Rialto received from RAL Investment Corp. d/b/a Silverstrand Construction ("Silverstrand") and Horizons Construction Co. Int'l, Inc. ("Horizons") for the Frisbee Park Expansion Project, City Project No. 150304 (the "Project"). The bid protests fail to provide a valid reason for the City to reject RCG's bid. As explained below, RCG is the lowest responsive and responsible bidder and should be awarded the Project.

**I. RCG Will Self-Perform Work "in excess of 50%" Per the Bid Requirements**

**A. Silverstrand Incorrectly Calculated RCG's Work**

Silverstrand's bid protest primarily relies on the incorrect argument that RCG's bid fails to satisfy the City's requirement for bidders to self-perform "in excess of 50% of the work" on the Project. Silverstrand's argument is fundamentally flawed because its calculation of RCG's self-performed work does not deduct the "specialty items" as stated very clearly in the bid form.<sup>1</sup>

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<sup>1</sup> Silverstrand's failure to follow and/or understand the City's bid instructions caused the City to rebid this project on two prior occasions. This argument is yet another example of Silverstrand not following the bid documents.

The bid form provides a special note that states: "The Prime Contractor shall perform not less than 50% of the Work identified in this Bid. In the event a Bidder lists subcontractors who will perform Work under this Bid in excess of the Work identified in this Bid, the Bid shall be considered non-responsive." (See Exhibit "A"; also found at Bid Form pg. 11.)

It appears Silverstrand failed to read Section 2-3.2 of the Greenbook, which is incorporated into the bid instructions, and instructs bidders to deduct the specialty items from the contract price before computing the self-performance percentage. The calculation Silverstrand failed to follow is clearly explained by the below portions of the bid documents and Greenbook.

The City's Bid Schedule states all listed items of work that are followed by "(S)" are "specialty" items for purposes of calculating the self-performance percentages for the Project. (See enclosed Exhibit "B".) Page 5 of the Bid Form (enclosed herein as page 2 of Exhibit "B") states:

**"(s) = Specialty Work Item; see full description within Section 2-3.2 of the Greenbook."**

Section 2-3.2 of the Greenbook states:

**The Contractor shall perform, with its own organization, Contract work amounting to at least 50 percent of the Contract Price except that any designated "Specialty Items" may be performed by subcontract and the amount of any such "Specialty Items" so performed will be deducted from the Contract Price before computing the amount required to be performed by the Contractor with its own organization.** (Emphasis added.)

A complete copy of Section 2 of the Greenbook is enclosed for ease of reference as Exhibit "C". Section 2-3.2 is clouded on the exhibit for ease of reference.

In short, this is yet another example of Silverstrand's failure to follow and/or understand the bid instructions for this Project. Silverstrand's bid protest clearly computes the percentage of RCG's self-performed work without first removing the specialty subcontractors from the contract price. Silverstrand's incorrect calculation results in a misleading percentage that does not accurately reflect the percentage of self-performed work RCG will provide the Project. RCG will self-perform more than 50% of the work per the bid instruction requirements, as explained below.

**B. RCG's Bid Correctly States It Will Self-Perform 51.3% of the Work**

A computation based on the bid instructions (including Greenbook Section 2-3.2) demonstrates RCG will self-perform 51.30% of the work at the Project. This is the exact amount stated in RCG's bid. (See, Exhibit "A", pg. 1)

The correct calculation of RCG's self-performed work is based on subtracting all specialty items from RCG's bid price and then calculating the percentage of RCG's self-performed work based on the reduced contract price. This calculation is supported by the spreadsheet enclosed as

Exhibit "D", which lists the items of work from RCG's bid schedule, the value of the work for all non-specialty items and a calculation of percentage for the non-specialty work RCG will self-perform. As summarized on Exhibit "D", RCG will self-perform 51.30% of the work.

To further illustrate this point, please see the clouded specialty items on the copy of RCG's bid schedule enclosed as Exhibit "A". These clouded specialty items should be subtracted from the bid price for purposes of computing RCG's self-performance requirements. Silverstrand failed to do this. Silverstrand incorrectly included the specialty work in calculating RCG's self-performance percentage.

Specialty subcontractors are included in RCG's subcontractor list and excluded from the calculation of self-performed work because the law requires RCG to list all subcontractors performing work on the project in a value of  $\frac{1}{2}$  of 1% or more. (See, Cal. Pub. Cont. Code Section 4100, et seq.) This does not mean all listed subcontractors are included for purposes of computing RCG's self-performance requirements. (See, Greenbook Section 2-3.2) Silverstrand's argument confuses these distinct requirements.

Since RCG's bid exceeds the self-performance threshold, Silverstrand's reliance on California case law concerning self-performance requirements is irrelevant.<sup>2</sup> RCG complied with the self-performance requirement and its bid correctly states RCG will self-perform 51.3% of the work.

## **II. RCG Did Not List Ortco As an Installer of Coast Recreation Equipment.**

The second basis for Silverstrand's bid protest falsely states RCG listed subcontractor Ortco as the installer of Coast Recreation equipment. This false statement apparently relies on an incorrect assumption about the work Ortco will perform. RCG did not list Ortco to install Coast Recreation equipment. RCG listed Ortco to install the shade structures, miracle play equipment, picnic shelters, greenfields exercise equipment and other work Ortco is qualified to perform.

The Landscape Structures playground equipment install work will be performed by Tot Lot Pros. Tot Lot Pros is an approved installers for Landscape Structures. RCG's bid does not list Tot Lot Pros by name because Tot Lot Pros's proposal is less than one-half of one percent of RCG's bid. Consequently, the proposal falls below the subcontractor listing threshold.

## **III. RCG Has Accurately and Honestly Represented Its Construction Costs to the City**

Silverstrand's third argument that RCG's subcontractor costs are incorrect is more wild speculation. This erroneous argument is supported in large part by subcontract values Silverstrand received. There is no evidence to support Silverstrand's contention that subcontractors gave

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<sup>2</sup> Although Silverstrand's legal argument based on Valley Crest is misplaced because the percentage of RCG's self-performed work exceeds 50%, RC notes that Silverstrand's counsel failed to explain more recent court opinions that disagree with the Valley Crest case and provide an owner the ability to award a job when a self-performance requirement of 50% is not met by the bid documents. See, *Ghilotti Constr. Co. v. City*, 45 Cal.App.4th 897 (1996).

Silverstrand and RCG the same proposals. Nor is there evidence to show RCG incorrectly calculated its subcontractor costs in the bid form. As you are likely aware, many factors go into a bidding contractor's bid price calculations and subcontractor values. Silverstrand's arguments here consist of pure guesswork and assumption about RCG's numbers. This protest is not based on evidence or any fact Silverstrand is aware of regarding how RCG put its bid together.

RCG is very confident that it presented the District an accurate and complete number for the bid price. RCG welcomes a meeting with the City to review RCG's subcontract values and scopes of work on the Project to provide the City further assurance all work is accounted for and accurately reflected in RCG's bid.

#### IV. RCG Is A Responsible Bidder

Finally, the bid protests argue RCG lacks qualifications for this Project because RCG's profile on the Contractor State License Board states RCG is exempt from workers compensation and has no employees. The bid protests fail to appreciate the fact RCG is a Joint Venture comprised of R.C. Construction and Ed Graves & Associates, two local Rialto public works contractors that each carry workers compensation and all other required insurance for their employees. The insurance for each member of the JV is reflected on the CLSB profile for RC Construction and Ed Graves & Associates. When these two companies come together to bid a job as the Joint Venture they ensure all required insurance certificates for the JV are in place when they are awarded the Project and before work begins. Furthermore, RCG has provided the District with a signed Worker's Compensation Certificate as part of the bid. This certificate states:

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of said Code, and **I will comply with such provisions before commencing the performance of the Work of this Contract.** (Emphasis added.)

A copy of RCG's signed Worker's Compensation Certificate is enclosed as Exhibit "E". Also enclosed with Exhibit "E" is a letter from RCG's insurance broker regarding RCG's ability to obtain Workers Compensation Insurance for the project. As stated above, the required workers compensation certification states all insurance must be in place before work is commenced. RCG will satisfy this requirement as promised. The Joint Venture is not required to carry insurance or have employees when RC Construction Services and Ed Graves & Associates are not partnering together to perform work as a Joint Venture.

In short, RCG will comply with all workers compensation and other insurance requirements for the project before commencing the performance of the work.

Re: RC Construction Services, Inc. Bid Protest on Frisbee Park Expansion  
(City of Rialto Project No. 150304)  
January 9, 2019  
Page 5

RCG looks forward to the opportunity to work with the City on this exciting Project. If you have any questions or comments concerning this letter, please do not hesitate to contact me directly.

Best Regards,

A handwritten signature in black ink, appearing to read 'Matthew J. Kraus', with a long horizontal line extending to the right.

Matthew J. Kraus  
Lester & Cantrell, LLP

MJK/mob  
Encl.

cc: Fred Galante, City Attorney (via email only: [fgalante@awattorneys.com](mailto:fgalante@awattorneys.com))  
Brian Wright-Bushman (via email only: [bwright-bushman@awattorneys.com](mailto:bwright-bushman@awattorneys.com))  
Hector Gonzalez (via email only: [hgonzalez@rialtoca.gov](mailto:hgonzalez@rialtoca.gov))

# **Exhibit “A”**



# **INFORMATION REQUIRED OF BIDDER** **LIST OF SUBCONTRACTORS**

As required under Section 4100, et seq., of the Public Contract Code, the Bidder shall list below the name, business address, California Contractor license number, and public works contractor registration number (DIR number) of each subcontractor who will perform Work under this Bid in excess of one-half of one percent of the Contractor's Total Bid Price, or \$10,000.00, whichever is greater, and shall also list the portion of the Work which will be done by such subcontractor. After the opening of Bids, no changes or substitutions will be allowed except as otherwise provided by law. The listing of more than one subcontractor for each item of Work to be performed with the words "and/or" will not be permitted. Failure to comply with this requirement will render the Bid as non-responsive and may cause its rejection. Use additional pages if necessary.

**Special Notes:** The Prime Contractor shall perform not less than 50% of the Work identified in this Bid. In the event a Bidder lists subcontractors who will perform Work under this Bid in excess of 50% of the Work identified in this Bid, the Bid shall be considered non-responsive.

Bidders shall list the total % of Work to be performed by the Prime Contractor here: 51.3%  
(Shall not be less than 50%)

Work to be Performed	Contractor's CSLB License # and DIR #	Percent of Total Contract	Subcontractor's Name and Address
1 SITE FURNISHINGS	LICENSE# 928149 DIR# 100000260	3.3 %	HANSEN ASSOCIATES 17744 SKY PARK CIRCLE IRVINE CA
2 INSTALL SHELTERS & EQUIPMENT	LICENSE# 0971695 DIR# 1000001641	5.4 %	ORTCO INC. 2163 GLASSELL ORANGE CA
3 SURVEY	LICENSE# LS 30983, 1019240 DIR# 10000010416	.65 %	TELEVISION ENGINEERING SURVEYORS 7231 BOULDER AVE HIGHLAND CA
4 PLAY SURFACE	LICENSE# 0607240 DIR# 1000002700	1.8 %	ROBERTSON INDUSTRIES 2414 W. 12TH STREET TEMPE AZ
5 AC PAVING.	LICENSE# 744113 DIR# 1000025998	2.6 %	ADVANTAGE UNLIMITED PAVING P.O. BOX 31005 FONTANA CA
6 FENCE & GATES	LICENSE# 934352 DIR# 10000015116	8.5 %	TEAM WEST CONTRACTING 2783 VISTA AVE BLOOMINGTON CA

## INFORMATION REQUIRED OF BIDDER

### LIST OF SUBCONTRACTORS

As required under Section 4100, et seq., of the Public Contract Code, the Bidder shall list below the name, business address, California Contractor license number, and public works contractor registration number (DIR number) of each subcontractor who will perform Work under this Bid in excess of one-half of one percent of the Contractor's Total Bid Price, or \$10,000.00, whichever is greater, and shall also list the portion of the Work which will be done by such subcontractor. After the opening of Bids, no changes or substitutions will be allowed except as otherwise provided by law. The listing of more than one subcontractor for each item of Work to be performed with the words "and/or" will not be permitted. Failure to comply with this requirement will render the Bid as non-responsive and may cause its rejection. Use additional pages if necessary.

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Bidders shall list the total % of Work to be performed by the Prime Contractor here: \_\_\_\_\_  
(Shall not be less than 50%)

Work to be Performed	Contractor's CSLB License # and DIR #	Percent of Total Contract	Subcontractor's Name and Address
1 LANDSCAPE	LICENSE# 8022299 DIR# 1000019419	9.4 %	INLAND EMPIRE LANDSCAPE 24510 KERN ST SAN BERNARDINO CA
2 <del>PAINTS</del>	LICENSE# <del>1000019419</del> DIR# <del>1000019419</del>	%	<del>INLAND EMPIRE LANDSCAPE</del>
3 MASONARY	LICENSE# 6029489 DIR# 1000011794	3.5 %	GRANSTORM MASONARY P.O. BOX 7041 TORRENCE CA
4 SKATE PARK	LICENSE# 962150 DIR# 10000116308	2.9 %	CALIFORNIA SKATE PARKS 273 BENSON AVE UPLAND CA
5 PAINTS & COATINGS	LICENSE# 225174 DIR# 100001155	.9 %	BITHILL INC. 1004 EDNA PL Covina CA
6 SITE UTILITIES	LICENSE# 1013926 DIR# 1000039100	6.7 %	H7 CONTRACTING AND ENGINEERING 150910 JEFFERSON AVE MURRIETA CA

~~CONSTRUCTION OF FRISBIE PARK EXPANSION  
CITY PROJECT NO.150304  
DECEMBER 2018~~

LIST OF SUBCONTRACTORS  
BID FORMS - PAGE 11

Specialty Items "Clouded" are not part of above Self Performance Calculation



# **INFORMATION REQUIRED OF BIDDER** **LIST OF SUBCONTRACTORS**

As required under Section 4100, et seq., of the Public Contract Code, the Bidder shall list below the name, business address, California Contractor license number, and public works contractor registration number (DIR number) of each subcontractor who will perform Work under this Bid in excess of one-half of one percent of the Contractor's Total Bid Price, or \$10,000.00, whichever is greater, and shall also list the portion of the Work which will be done by such subcontractor. After the opening of Bids, no changes or substitutions will be allowed except as otherwise provided by law. The listing of more than one subcontractor for each item of Work to be performed with the words "and/or" will not be permitted. Failure to comply with this requirement will render the Bid as non-responsive and may cause its rejection. Use additional pages if necessary.

**Special Notes:** The Prime Contractor shall perform not less than 50% of the Work identified in this Bid. In the event a Bidder lists subcontractors who will perform Work under this Bid in excess of 50% of the Work identified in this Bid, the Bid shall be considered non-responsive.

Bidders shall list the total % of Work to be performed by the Prime Contractor here: \_\_\_\_\_  
(Shall not be less than 50%)

Work to be Performed	Contractor's CSLB License # and DIR #	Percent of Total Contract	Subcontractor's Name and Address
<del>1</del>	<del>LC#</del> <del>DIR#</del>	<del>%</del>	<del>Subcontractor's Name and Address</del>
2 ELECTRICAL	LC# 835109 DIR# 1000001519	16.8 %	ACE ELECTRIC P.O. BOX 69071 SAN DIEGO CA
3	LC# DIR#	%	
4	LC# DIR#	%	
5	LC# DIR#	%	
6	LC# DIR#	%	

# **Exhibit “B”**

**BID SCHEDULE**  
**Revised November 27, 2018**  
LUMP SUM BID for the Construction of:  
**FRISBIE PARK EXPANSION**  
**CITY PROJECT NO. 150304**

**BID NO. 19-056**

**DECEMBER 2018**

Pursuant to the Invitation to Bid, the undersigned hereby proposes and agrees that on award by the City under this Bid, and in accordance with the provisions therein stated, to execute a Contract, with necessary bonds, to furnish and install any and all labor, materials, transportation, and services for **CONSTRUCTION OF FRISBIE PARK EXPANSION, PROJECT NO. 150304**, in accordance with the Scope of Work and Specifications therefor adopted and on file with the City within the time hereinafter set forth and at the prices named in this Bid as follows:

Total of Bid Breakdown items must equal the lump sum Bid below. See Section 2, Work Details, for a work breakdown itemization.

**WORK**

	<b><u>LUMP SUM</u></b>
1. Project Start-Up	\$ <u>2,193,700.<sup>00</sup></u>
2. Clear and Grub - Demolition	\$ <u>200,000.<sup>00</sup></u>
3. Structure Demolition	\$ <u>5,000.<sup>00</sup></u>
4. Street Improvements (Easton Street, Eucalyptus Avenue & Acacia Avenue)	\$ <u>75,500.<sup>00</sup></u>
5. Earthwork	\$ <u>1,250,100.<sup>00</sup></u>
6. Drainage	\$ <u>89,300.<sup>00</sup></u>
7. On-Site Utilities (S)	\$ <u>700,000.<sup>00</sup></u>
8. Lighting/Electrical (S)	\$ <u>2,067,000.<sup>00</sup></u>
9. Site Furnishings (S)	\$ <u>541,000.<sup>00</sup></u>
10. Hardscape	\$ <u>3,182,400.<sup>00</sup></u>
11. Parking Lots	\$ <u>324,400.<sup>00</sup></u>
12. Fences (incl. ballfields), Railings and Walls	\$ <u>1,182,500.<sup>00</sup></u>
13. Play and Exercise Areas (surfacing & equip) (S)	\$ <u>504,300.<sup>00</sup></u>
14. Skate Park (S)	\$ <u>353,800.<sup>00</sup></u>
15. Multi-Use Courts (S)	\$ <u>23,500.<sup>00</sup></u>
16. Restroom/Storage Facility (S)	\$ <u>30,000.<sup>00</sup></u>
17. Concessions/Office Facility (S)	\$ <u>15,000.<sup>00</sup></u>
18. North Restroom Renovation (S)	\$ <u>20,000.<sup>00</sup></u>

- |   |                           |
|---|---------------------------|
| 19. Shade Shelters and Trellis Structures (S) | \$ 577,500. <sup>00</sup> |
| 20. Electrical Enclosure (S)                  | \$ 33,000. <sup>00</sup>  |
| 21. Irrigation                                | \$ 700,000. <sup>00</sup> |
| 22. Landscape                                 | \$ 460,000. <sup>00</sup> |
| 23. PRZ Turf Areas                            | \$ 165,000. <sup>00</sup> |

Total Amount of Base Bid in Figures

\$ 15,081,000.<sup>00</sup>

Total Amount of Base Bid in Words: FIFTEEN MILLION EIGHTY ONE THOUSAND

Dollars and

ZERO

Cents

(S) = Specialty Work Item; see full description within Section 2-3.2 of the Greenbook

### Specialty Work

#### WORK

Optional Work Item

#### LUMP SUM

Two-Year Park Maintenance Period

\$ 193,976.<sup>00</sup>

Total Amount of Optional Work Item in Figures

\$ 193,976.<sup>00</sup>

Total Amount of Optional Work Item in Words:

ONE HUNDRED NINETY THREE THOUSAND NINE HUNDRED SEVENTY SIX

~~ONE HUNDRED NINETY THREE THOUSAND NINE HUNDRED SEVENTY SIX~~

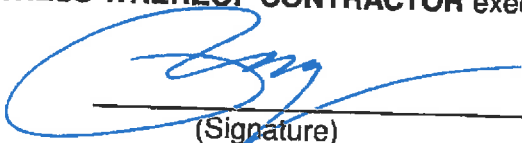
ZERO

Dollars and Cents

**Bidder Note:** The determination of lowest bid for this project will be based solely on the Total Amount of Base Bid. However, bidders are also required to submit a price for the Optional Work item. Bidder pricing for the Optional Two-Year Park Maintenance Period is to allow the City to determine, at its sole discretion, if it wishes to include this Optional Work Item within the Project. The City may, in its sole discretion, choose to exercise its right to include the optional Two-Year Park Maintenance Period at the time it awards the base bid, at a later time up until the completion of the Project, or, may choose not to exercise its right to have the Optional Work done through its contract at all.

**IN WITNESS WHEREOF CONTRACTOR** executed this Proposal as of date set forth on Page C-1:

BY:

  
(Signature)

ATTEST BY:



TITLE:

Partner

(Contractor)

TITLE:



# **Exhibit “C”**

## SECTION 2 - SCOPE AND CONTROL OF THE WORK

**2-1 AWARD AND EXECUTION OF THE CONTRACT.** Award and execution of the Contract shall be as provided for in the Special Provisions, Instructions to Bidders, or Notice Inviting Bids.

**2-2 ASSIGNMENT.** No Contract or portion thereof may be assigned without the consent of the Board, except that the Contractor may assign money due or which will accrue to it under the Contract. If given written notice, such assignment will be recognized by the Board to the extent permitted by law. Any assignment of money shall be subject to all proper withholdings in favor of the Agency and to all deductions provided for in the Contract. All money withheld, whether assigned or not, shall be subject to being used by the Agency for completion of the Work should the Contractor be in default.

### 2-3 SUBCONTRACTS.

**2-3.1 General.** Each Bidder shall comply with Division 2, Chapter 4 of the Public Contract Code including Sections 4100 through 4113.

The Bidder shall set forth in the Bid, pursuant to 4104:

- "a) The name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid, or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars (\$10,000), whichever is greater."
- "b) The portion of the work which will be done by each such subcontractor under this act. The prime contractor shall list only one subcontractor for each such portion as is defined by the prime contractor in his or her bid."

If the Contractor fails to specify a Subcontractor, or specifies more than one Subcontractor for the same portion of the Work to be performed under the Contract (in excess of one-half of 1 percent of the Contractor's total Bid), the Contractor shall be qualified to perform that portion itself, and shall perform that portion itself, except as otherwise provided in the Code.

Pursuant to Section 4107, no Contractor whose Bid is accepted shall substitute any person as a Subcontractor in place of a Subcontractor listed in the Bid, except for the causes and by the procedures established in Section 4107.5. This section provides procedures to correct a clerical error in the listing of a Subcontractor.

Section 4110 provides that a Contractor violating any of the provisions of Chapter 4 violates the Contract and the Board may exercise the option either to cancel the Contract or assess the Contractor a penalty in an amount of not more than 10 percent of the subcontract involved after a public hearing.

**2-3.2 Self Performance.** The Contractor shall perform, with its own organization, Contract work amounting to at least 50 percent of the Contract Price except that any designated "Specialty Items" may be performed by subcontract and the amount of any such "Specialty Items" so performed will be deducted from the Contract Price before computing the amount required to be performed by the Contractor with its own organization. "Specialty Items" will be identified by the Agency in the Bid or in the Special Provisions. Where an entire item is subcontracted, the value of work subcontracted will be



based on the Contract Unit Price. When a portion of an item is subcontracted, the value of work subcontracted will be based on the estimated percentage of the Contract Unit Price. This will be determined from information submitted by the Contractor, and subject to approval by the Engineer.

**2-3.3 Status of Subcontractors.** The Contractor shall give personal attention to the fulfillment of the Contract. The Contractor shall keep the Work under its control.

Subcontractors shall be considered employees of the Contractor, and the Contractor shall be responsible for their work.

In addition to the requirements of 2-3.1, before the work of any Subcontractor is started, the Contractor shall submit to the Engineer for approval a written statement listing the name, contractor license number, and business address of each Subcontractor and a description and value of each portion of the Work to be so subcontracted.

**2-4 CONTRACT BONDS.** Before execution of the Contract, the Contractor shall file surety bonds with the Agency to be approved by the Board in the amounts and for the purposes specified below. Bonds issued by a surety who is listed in the latest version of U.S. Department of Treasury Circular 570, who is authorized to issue bonds in California, and whose bonding limitation shown in said circular is sufficient to provide bonds in the amount required by the Contract shall be deemed to be approved unless specifically rejected by the Agency. Bonds from all other sureties shall be accompanied by all of the documents enumerated in the Code of Civil Procedure, Section 995.660 a).

Each bond shall incorporate, by reference, the Contract and be signed by both the Bidder and the Surety. The signature of the authorized agent of the Surety shall be notarized.

The Contractor shall provide 2 good and sufficient surety bonds. The "Payment Bond" (material and labor bond) shall be for not less than 100 percent of the Contract Price, to satisfy claims of material suppliers and mechanics and laborers employed by it on the Work. The Bond shall be maintained by the Contractor in full force and effect until the performance of the Contract is accepted by the Agency and until all claims for materials and labor are paid, and shall otherwise comply with the Civil Code.

The "Performance Bond" shall be for 100 percent of the Contract Price to guaranty faithful performance of all work, within the time prescribed, in a manner satisfactory to the Agency, and that all materials and workmanship will be free from original or developed defects. The Bond must remain in effect until the end of all warranty periods set forth in the Contract Documents.

The Contractor shall pay all bond premiums, costs, and incidentals.

Should any bond become insufficient, the Contractor shall renew the bond within 10 Days after receiving notice from the Agency.

Should any surety at any time be unsatisfactory to the Board, notice to that effect will be given to the Contractor. No further payments shall be deemed due or will be made under the Contract until a new surety qualifies and is accepted by the Board.

Changes in the Work or extensions of time, made pursuant to the Contract, shall in no way release the Contractor or the Surety from its obligations. Notice of such changes or extensions shall be waived by the Surety.

## **2-5 PLANS AND SPECIFICATIONS.**

**2-5.1 General.** The Contractor shall keep at the Work site a copy of the Plans and Specifications, to which the Engineer shall have access at all times.

The Plans, Specifications, and other Contract Documents shall govern the Work. The Contract Documents are intended to be complementary and cooperative. Anything specified in the Specifications and not shown on

# **Exhibit “D”**

Bid Schedules				RC Graves Construction		
BID ITEM	DESCRIPTION		UNIT PRICE	TOTAL	Self	
1	Project Start-up	1	LS	\$2,193,700.00		
2	Clear and Grub - Demolition	1	LS	\$200,000.00	1.95773%	
3	Structure demolition	1	LS	\$5,000.00	0.04894%	
4	Street Improvements (Easton St, Eucalyptus	1	LS	\$75,500.00		
5	Earthwork	1	LS	\$1,250,100.00	12.23681%	
6	Drainage	1	LS	\$89,300.00	0.874128%	
7	On site utilities (S)	1	LS	\$700,000.00		
8	Lighting/Electrical (S)	1	LS	\$2,067,000.00		
9	Site Furnishings (S)	1	LS	\$541,000.00		
10	Hardscape	1	LS	\$3,692,400.00	36.143658%	
11	Parking Lots	1	LS	\$324,400.00		
12	Fence (incl. ballfields), Railings & Walls	1	LS	\$1,160,500.00		
13	Play and Exercise areas (surfacing &	1	LS	\$504,300.00		
14	Skate Park (S)	1	LS	\$353,800.00		
15	Multi-use Courts (S)	1	LS	\$23,500.00		
16	Restroom/Storage Facility (S)	1	LS	\$30,000.00		
17	Concessions/Office Facility (S)	1	LS	\$15,000.00		
18	North Restroom Renovation (S)	1	LS	\$20,000.00		
19	Shade Shelters and Trellis Structure (S)	1	LS	\$577,500.00		
20	Electrical enclosure (S)	1	LS	\$33,000.00		
21	Irrigation	1	LS	\$700,000.00		
22	Landscape	1	LS	\$460,000.00		
23	PRZ Turf Areas	1	LS	\$65,000.00		
TOTAL AMOUNT OF BASE BID				\$ 15,081,000.00	51.261269%	

51.30%

# Exhibit “E”

## WORKER'S COMPENSATION CERTIFICATE

(AS REQUIRED BY SECTION 1861  
OF THE CALIFORNIA LABOR CODE)

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of said Code, and I will comply with such provisions before commencing the performance of the Work of this Contract.

Contractor RC Graves Construction

By 

Title Partner



1/9/2019

Robert Clapper Construction Services, Inc.  
2223 N. Locust Ave.  
Rialto, CA 92377

Re: RC Graves, A Joint Venture – Workers Compensation

Dear Marie,

If required by contract we will place Workers Compensation coverage for RC Graves, A Joint Venture with a company licensed by the Department of Insurance to do business in the State of California.

Should you have any questions please contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read "Deede MacAdam", written in a cursive style.

Deede MacAdam, CRIS  
Commercial Lines Manager, Owen Dunn Insurance Services  
916-993-2745  
deedem@owendunn.com