Health, Housing & Human Services
CLACKAMAS COUNTY

Richard Swift
Interim Director

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April 2, 2015

Board of County Commissioner
Clackamas County

Members of the Board:

Approval of a Construction Contract with North Pacific Construction
for the Beavercreek Health Clinic Remodel Project in Oregon City

Purpose/Outcomes	This project will improve approximately 5,000 square feet of health clinic space through: interior renovations to offices, remodel of lobby areas, create ADA accessible restrooms and added pharmacy.
Dollar Amount and Fiscal Impact	HRSA Grant funds ....$ 250,000 CDBG Funds (grant).....$ 90,000 Clinic Revenue (340B Pharmacy program)...$ 18,600 Total Project Budget:.....$ 358,600
Funding Source	U.S. Department of Housing and Urban Development Community Development Block Grant (CDBG) funds, Health Resources and Services Administration (HRSA) funds and health clinic revenue 340B pharmacy program funds are involved.
Safety Impact	Improved building safety – public safety
Duration	April 2015 to July 2015
Previous Board Action	2012 CDBG project that was approved by the Board of County Commissioners on May 3, 2012. The HRSA grant application was approved by the Board on March 13, 2014, grant awarded August 2014.
Contact Person	Chuck Robbins, Community Development Director – (503) 655-8591
Contract No.	H3S 7096

BACKGROUND:

The Housing and Community Development Division of the Health, Housing & Human Services Department request the approval of a construction agreement with North Pacific Construction and Remodeling for the Beavercreek Health Clinic remodel project. North Pacific Construction was the selected qualified responsive bidder at the March 17th bid opening:

Ranking:	Company Name:	Bid Amount:
1st	North Pacific Construction	358,600
2nd	Cedar Mill Construction	361,640
3rd	TS Gray Construction	385,750
4th	Andy Medcalf Construction	417,425

The Clinic Remodel project will include improvements to approximately 5,000 square feet of health clinic space including: a new pharmacy, interior renovations to offices, remodeled lobby areas, and accessible restrooms.

This Clinic Remodel project is part of an overall renovation of the Beavercreek Clinic. Once this phase of the clinic remodel is complete and the HRSA grant requirements met, the next phase of the plan will focus on updates to clinic and dental exam rooms.

The Construction Agreement was reviewed and approved by County Counsel on March 3, 2015.

RECOMMENDATION:

Staff recommends the Board approval of this Construction Agreement and authorizes Richard Swift, H3S Interim Director to sign on behalf of Clackamas County.

Respectfully submitted,

Richard Swift, Interim Director

STANDARD FORM OF AGREEMENT FOR CONSTRUCTION WORK

BETWEEN OWNER AND CONTRACTOR

OWNER:	CONTRACTOR:
Clackamas County Community Development Division 2051 Kaen Road, Suite 245 Oregon City, OR 97045	North Pacific Construction and Remodeling, Inc. 16835 S. Cliff View Drive Oregon City, OR 97045

Project Architect: Jessica Pearre, TVA Architects

ARTICLE 1: CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement. The contract documents collectively these form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 7.

ARTICLE 2: STATEMENT OF WORK

The Contractor shall furnish all labor, material, equipment and services needed to complete all work as specified or indicated in the Contract Documents. The BEAVERCREEK CLINIC REMODEL project consists of building improvements to an operational health clinic to include renovations to interior offices, lobby, restrooms doors and waiting areas of a health clinic.

The project site is located at: 1425 Beavercreek Road in Oregon City, Oregon 97045.

ARTICLE 3: DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

3.1 The date of commencement is the date of the Notice to Proceed which will be issued by the Owner.

3.2 The Contractor shall achieve Substantial Completion of the entire Work not later than **45** days of construction once construction contract is executed between Owner and Contractor.

3.3 The Parties agree that the following provision for liquidated damages for the Contractor's failure to achieve substantial completion within the Contract Time is a genuine pre-estimate of injury the Owner will sustain and is not in the nature of a penalty. The Contractor's failure to achieve substantial completion within the Contract Time will cause harm to the Owner that is presently very difficult of accurate estimation, as it will cause public inconvenience. The Parties agree that a reasonable forecast of the just compensation for the harm that will be caused by such a breach is **Two Hundred and Fifty Dollars ($250)** per day and fix that amount as agreed damages for the Contractor's failure to achieve substantial completion within the Contract Time.

3.4 This Project is a federally (98%) and locally (2%) funded. Thus, the Owner will adhere to the guidance of the U.S. Department of Health and Human Services (HHS) and the Health Resources and Services Administration (HRSA) for mandates regarding enforcement of liquidated damages. This is a Capital Development-Immediate Facility Improvements (CD-IFI) project that is to start and complete in a timely manner. The Notice to Proceed will start the work of the project and designate the number of days allowed for construction. (See 3.1 & 3.2)

3.5 The Contractor will be held to the timeline of the project, once the project begins. Unforeseen conditions that may cause a delay will be reviewed and determined by the Owner and the Architect. Additional work days may be granted to the Contractor.

ARTICLE 4: CONTRACT PRICE

4.1 The Owner shall pay the Contractor in current funds for the Contractor's performance of the Contract the Contract Price of **Three Hundred and Fifty Eight Thousand, Six Hundred dollars ($358,600)**, subject to additions and deductions as provided in the Contract Documents.

4.2 The Contract Price includes the Base Bid as described in the Contract Documents and is hereby accepted by the Owner.

4.3 Unit prices are as follows: (insert unit prices if any)

ARTICLE 5: PROGRESS PAYMENTS

5.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Price to the Contractor as provided in the Contract Documents for the period ending the last day of the month. Progress payments shall be made to the Contractor on or before the 30th of each month provided that an application for payment is approved by the Architect and received by the Owner at least 21 days before the date the Progress Payment is due. For all payment requests the Contractor shall submit to the Architect an itemized application for Payment, notarized and supported by data substantiating the Contractor's right to payment. Payment shall be made on Work completed and on account of materials or equipment not incorporated in the Work but delivered and suitably stored at the site.

5.2 Each Application for Payment shall be based upon the Schedule of Values submitted by the Contractor in accordance with the Contract Documents. The Schedule of Values shall allocate the entire Contract Price among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This Schedule, unless objected to by the Architect, shall be used a basis for reviewing the Contractor's Applications for Payment.

5.3 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The only Application and Certificate for Payment shall be submitted to the Architect using **AIA G702** Form(s) throughout the project, as required by HRSA.

5.4 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

5.4.1 Take that portion of the Contract Price properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the total Contract Price allocated to that portion of the Work in the Schedule of Values, less retainage of five percent (5%). Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute may be included as provided in Subparagraph 10.1.6 of the General Conditions even though the Contract Price has not yet been adjusted by Change Order;

5.4.2 Add that portion of the Contract Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of five percent (5%);

5.4.3 Subtract the aggregate of previous payments made by the Owner; and

5.4.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Paragraph 13.5 of the General Conditions.

5.5 Final payment, constituting the entire unpaid balance of the Contract Price, shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming Work as provided in Subparagraph 12.2.2 of the General Conditions and to satisfy other requirements, if any, which necessarily survive final payment; and (2) a final Certificate for Payment has been issued by the Architect; such final payment shall be made by the Owner not more than 30 days after the issuance of the Architect's final Certificate for Payment.

5.6 The final release of all Construction Contract funds held by OWNER, shall only be made after authorization by the Owner and the Architect. These funds may include: Change Orders, Final payments and, retainage held to be released by OWNER.

ARTICLE 6: TERMINATION OR SUSPENSION

6.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of the General Conditions.

6.2 The Work may be suspended by the Owner as provided in Article 14 of the General Conditions.

ARTICLE 7: ENUMERATION OF CONTRACT DOCUMENTS

7.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

Section	Title/Document	Pages
II.1	Agreement/Document D3	9
II.3	Other Bonds/ Additional Insurance:	
	Performance Bond	2
	Labor & Material Payment Bond	2
	Commercial General Liability (CG 32 61 10 05)	1
	Public Works Bond (Instructions with Form)	2
II.4	General Conditions/Document D4	32
II.5	Supplementary Conditions:	
	HHS Regulations 45 CFR Parts 74 and 92 Procurement Standards	27
	State of Oregon (BOLI) ORS279C.800 through 279C.870	16
	State of Oregon (BOLI) Wage Rates Determination: Jan 1, 2015	10
	Payroll Statement Form WH-38 "example"	2
II.6	Specifications: Prepared and Provided by TVA Architects Titled "BEAVERCREEK CLINIC"	
II.7	Drawings: Prepared and Provided by TVA Architects Titled "BEAVERCREEK CLINIC "	

II.8 Addenda number 1, 2 and 3

ARTICLE 8: STATE OF OREGON, BUREAU OF LABOR & INDUSTRY (BOLI) PREVAILING WAGE RATES

Each worker in each trade or occupation employed in the performance of the contact either by the CONTRACTOR, subcontractor, or other person(s) doing or contracting for the whole or any part of the work on this contract, shall be paid not less than State of Oregon, Bureau of Labor and Industry (a.k.a. BOLI) prevailing wage rate for the duration of the project as referenced in ORS 279C.800 through ORS 279C.870. Moreover, any individual working under BOLI previsions, if working in two job classifications shall to be paid based on each job classifications he or she worked, which is in effect for this contract.

ARTICLE 9: INDEMNITY – INSURANCE - BONDS

9.1 Indemnity. The CONTRACTOR agrees to indemnify, save harmless and defend the OWNER, its officers, commissioners and employees from and against all claims and action, and all expenses incidental to the investigation and defense thereof, arising out of or based upon damage or injuries to persons or property caused by the errors, omissions, fault or negligence of the CONTRACTOR or the CONTRACTOR'S employees.

9.1.1 Indemnity with transference of project (i.e. rehabilitation, new facility or remodel) once completion of all bid items, scope of work, punch-list, unresolved issues, change orders, and release of retainage funds have been released to the CONTRACTOR, the project is thereafter the responsibility of the property OWNER. Property OWNER means the original owner before the project work began. The County is no longer the OWNER (as applicable).

9.2 Insurance.

9.2.1. As evidence of the insurance coverage required by this contract, CONTRACTOR shall furnish a Certificate of Insurance to COUNTY. No contract shall be in effect until the required certificates have been received, approved and accepted by COUNTY. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiration. The CONTRACTOR agrees to furnish the OWNER evidence of commercial general liability insurance in the amount of not less than $4,000,000 combined single limit per occurrence/$5,000,000 general annual aggregate for personal injury and property damage for the protection of the OWNER, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death or damage to property, including loss of use thereof in any way related to this contract. The general aggregate shall apply separately to this project/location. The OWNER, at its option, may require a complete copy of the above policy.

9.2.2. If the CONTRACTOR has assistance of other persons in the performance of this contract, the CONTRACTOR, if it is a subject employer, agrees to qualify and remain qualified for the term of this contract as an insured employer under ORS 656. CONTRACTORS shall maintain employer's liability insurance with limits of $100,000 each accident, $100,000 disease each employee, and $500,000 each policy limit.

9.2.3. If any other required liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided it's retroactive date is on or before the effective date of this contract.

9.2.4. The CONTRACTOR agrees to furnish the OWNER evidence of business automobile liability insurance in the amount of not less than $500,000 combined single limit for bodily injury and property damage for the protection of the OWNER, its officers, commissioners and employees against liability for damages because of bodily injury, death or damage to property, including loss of use thereof in any way related to this contract. The OWNER, at its option, may require a complete copy of the above policy.

9.2.5. The certificate of insurance, other than the pollution liability insurance shall include the OWNER as an expressly scheduled additional insured using form CG 20-10, CG 20-37, CG 32 61 or their equivalent. A blanket endorsement or automatic endorsement is not sufficient to meet this requirement. Proof of insurance must include a copy of the endorsement showing the OWNER as a scheduled insured. Such insurance shall provide sixty (60) days written notice to the OWNER in the event of a cancellation or material change and include a statement that no act on the part of the insured shall affect the coverage afforded to the OWNER under this insurance. This policy(s) shall be primary insurance as respects to the OWNER. Any insurance or self insurance maintained by the OWNER shall be excess and shall not contribute to it.

9.2.6. The CONTRACTOR shall obtain, at the CONTRACTOR'S expense and keep in effect during the term of the contract, CONTRACTOR'S Pollution Liability insurance covering the CONTRACTOR'S liability for a third party bodily injury and property damage arising from pollution conditions caused by the CONTRACTOR while performing their operations under the contract. The insurance coverage shall apply to sudden and accidental pollution events. Any coverage restriction as to time limit for discovery of a pollution incident and/or a time limit for notice to the insuror must be accepted by the OWNER. The insurance coverage shall also respond to cleanup cost. This coverage may be written in combination with the commercial general liability insurance or professional liability insurance. The policy's limits shall not be less than $1,000,000 each loss / $1,000,000 aggregate. The policy shall be endorsed to state that the general aggregate limit of liability

shall apply separately to this contract. Any self-insured retention / deductible amount shall be submitted to the OWNER for review and approval.

9.3 Bonds. The CONTRACTOR agrees to furnish to the OWNER bonds covering the performance of the contract and the payment of obligations each in the amount equal to the full amount of the contract as amended. Upon the request of any person or entity appearing to be a potential beneficiary of the bonds covering payment of obligations arising in the contract, the CONTRACTOR shall promptly furnish a copy of the bonds or shall permit a copy to be made. The CONTRACTOR shall secure, include costs thereof in the bid, and pay for a performance bond and payments bond in compliance of ORS 279C.380 and other applicable revised statutes issued by a bonding company licensed to transact business in the State of Oregon in accordance with the bid and performance bonds forms provided or others acceptable to the OWNER. The CONTRACTOR also agrees that the performance bond to be furnished as specified shall be such as to stay in force for a period of three hundred sixty-five days (365) after acceptance of the work by the COUNTY as a guarantee of repair or replacement of any item(s) of work found to be defective by reason of faulty workmanship or defective materials.

9.3.1. The CONTRACTOR shall have a public work bond filed with the Construction Contractors Board prior to starting work on the project, in accordance with ORS 279C.830. Additionally the CONTRACTOR shall include in every subcontract a provision requiring the subcontractor to have a public works bond filed with the Construction Contractors Board before starting work, in accordance with ORS 279C.830.

ARTICLE 10: DESCRIPTION OF CONTRACTOR

10.1. The CONTRACTOR is engaged hereby as an independent CONTRACTOR and will be so deemed for purposes of the following.

10.1.1. The CONTRACTOR will be solely responsible for payment of any Federal or State taxes required as a result of this Agreement.

10.1.2. This Agreement is not intended to entitle the CONTRACTOR to any benefits generally granted to COUNTY employees. Without limitation, but by way of illustration, the benefits which are not intended to be extended by this Agreement to the CONTRACTOR are vacation, holiday and sick leave, other leaves with pay, tenure, medical and dental coverage, life and disability, insurance, overtime, Social Security, Workers' Compensation, unemployment compensation, or retirement benefits (except insofar as benefits are otherwise required by law if the CONTRACTOR is presently a member of the Public Employees Retirement System).

10.1.3. The CONTRACTOR certifies that at present, he or she, if an individual, is not a program, County, or federal employee.

ARTICLE 11: MISCELLANEOUS

11.1. Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.

11.2. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

11.3. OWNER and CONTRACTOR each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

11.4. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

ARTICLE 12: 1 YEAR WARRANTY PERIOD

12.1 The 1 year warranty period beginsafter written acceptance of the Project and when OWNER has received all required close-out paperwork Affidavits: Consent to Surety, Payment of Debts and Claims, Release of Liens, as well as CONTRACTOR's and SubCONTRACTOR's Payroll Forms, and the Release of Retainage has been give to the CONTRACTOR for the Project. The CONTRACTOR warrants to the Owner and Architect that materials and equipment furnished, installation of all components of the Scope of Work will be good quality no less than 1 full calendar year (i.e. 365 days, consecutively). The start and ending dates will be determined by the OWNER and Architect.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR and ARCHITECT. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by ARCHITECT on their behalf.

This Agreement between Owner and Contractor is entered into as of the date it is signed by the Owner.

CONTRACTOR	OWNER
North Pacific Construction And Remodeling, Inc. 16835 S. Cliff Drive Oregon City, OR 97045	**Clackamas County, Oregon** Chair, John Ludlow Commissioner Jim Bernard Commissioner Paul Savas Commissioner Martha Shrader Commissioner Tootie Smith Signing on Behalf of the Board
By: Louis T. Woosley Name & Louis T Woosley Title President	By: _____ Rich Swift, Interim Director of Health, Housing and Human Services
3-24-2015 Date Signed	Date Signed

93-1035901
Contractor's Federal Tax Identification No.
or Social Security No. (if individual)

68811
Oregon Commercial Contractor's
Board No.