

(RA-95-69)
REDEVELOPMENT AGENCY OF
THE CITY OF SAN DIEGO
RESOLUTION NO. 2465
ADOPTED ON JANUARY 10, 1995

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AUTHORIZING APPROVAL OF CHANGE ORDER NOS. 5 AND 6 WITH WEST COAST GENERAL CORPORATION/UNITED STATES FIDELITY AND GUARANTY COMPANY BY ADDING \$47,154.23 FOR CHANGE ORDER NOS. 5 AND 6 TO A CONTRACT FOR PUBLIC IMPROVEMENTS FOR THE GASLAMP QUARTER PARK AT FIFTH AVENUE AND "L" STREET IN THE GASLAMP QUARTER SUB AREA OF THE CENTRE CITY REDEVELOPMENT PROJECT; THE CONTRACT AMOUNT IS AMENDED TO \$1,424,057.78.

WHEREAS, on or about July 25, 1994, the Agency entered into an agreement with West Coast General Corporation ("WCGC") for the construction of these certain improvements; and

WHEREAS, on or about July 25, 1994, United States Fidelity and Guaranty Company ("USF&G") provided a Faithful Performance Bond and Materials Bond ("Bond") in favor of the Agency to secure the performance and labor and materials payment obligations of WCGC; and

WHEREAS, on November 1, 1994, the Agency declared WCGC in default of the contract, canceled the contract with WCGC pursuant to Public Contract Code section 4110 and directed the Executive Director of the Agency to call upon the surety USF&G to complete the contract; and

WHEREAS, the Agency has called upon USF&G to fulfill its obligations in accordance with the Bond executed in favor of the Agency; and

WHEREAS, the Master Surety Agreement between WCGC and USF&G provides that upon termination of the contract by default, USF&G is empowered with the authority to settle any claim(s) of its principal arising or growing out of the contract; and

WHEREAS, USF&G has directed the Agency to forward all earned but unpaid contract balances to USF&G in order to pay suppliers and

subcontractors who are owed monies for labor and/or materials already incorporated into the project; and

WHEREAS, during construction of the project, before November 1, 1994, it was determined to modify certain items as contained in Change Order Nos. 5 and 6; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of The City of San Diego, as follows:

1. That the Agency hereby amends the contract by adding forty-seven thousand one hundred fifty-four dollars and twenty-three cents (\$47,154.23) for a total contract amount of one million four hundred twenty-four thousand fifty-seven dollars and seventy-eight cents (\$1,424,057.78).

2. That the Agency hereby authorizes Change Order Nos. 5 and 6 with USF&G, provided that USF&G accepts the amount without recourse as full and final payment for work performed by its principal WCGC and covered by Change Order Nos. 5 and 6, for a total amount of forty-seven thousand one hundred fifty-four dollars and twenty-three cents (\$47,154.23).

APPROVED: JOHN W. WITT, General Counsel

By

Richard A. Duvernay

Deputy Counsel

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