

**ESCROW AGREEMENT FOR SECURITY DEPOSITS  
IN LIEU OF RETENTION**

**Escrow Account No. 02-701731**

This Escrow Agreement is made and entered into on September 22, 2020, by the City of Chico, a municipal corporation, State of California, ("City"); Baldwin Contracting Company, Inc. dba Knife River Construction ("Contractor"); and Merchants Bank of Commerce, a corporate escrow, ("Escrow Agent").

For the consideration hereinafter set forth, the City, Contractor, and Escrow Agent agree as follows:

1. Pursuant to section 22300 of the Public Contract Code of the State of California, Contractor has the option to deposit securities with Escrow Agent as a substitute for retention earnings required to be withheld by City pursuant to the Construction Contract entered into between the City and Contractor for **Reconstruct Taxiway A and Cross Taxiways Phase 2** in the amount of \$2,877,263.00, dated 9/28/20 ("Contract"). Alternatively, on written request of the Contractor, the City shall make payments of the retention earnings directly to the Escrow Agent. When the Contractor deposits the securities as a substitute for Contract earnings, the Escrow Agent shall notify the City within 10 days of the deposit. The market value of the securities at the time of substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between the City and Contractor. Securities shall be in the name of the Contractor or in the name of the Escrow Agent with the Contractor designated as the beneficial owner.
2. The City shall make progress payments to the Contractor for those funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that the Escrow Agent holds securities in the form and amount specified above.
3. When the City makes payment of retentions earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the Contractor until the time that the escrow created under this agreement is terminated. The Contractor may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when the City pays the Escrow Agent directly.
4. Contractor shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering the escrow account and all expenses of the City. These expenses and payment terms shall be determined by the City, Contractor, and Escrow Agent.
5. The interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of Contractor and shall be subject to withdrawal by Contractor at any time and from time to time without notice to the City.

6. Contractor shall have the right to withdraw all or any part of the principal in the escrow account only by written notice to Escrow Agent accompanied by written authorization from the City to the Escrow Agent that City consents to the withdrawal of the amount sought to be withdrawn by Contractor.
7. The City shall have the right to draw upon the securities in the event of default by the Contractor. Upon seven days' written notice to the Escrow Agent from the City of the default, the Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by the City.
8. Upon receipt of written notification from the City certifying that the Contract is final and complete, and that the Contractor has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to Contractor all securities and interest on deposit less escrow fees and charges of the escrow account. The escrow shall be closed immediately upon disbursement of all moneys and securities on deposit and payments of fees and charges.
9. Escrow Agent shall rely on the written notifications from the City and Contractor pursuant to Sections 5 to 8, inclusive, of this agreement and the City and Contractor shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.
10. The names of the persons who are authorized to give written notice or to receive written notice on behalf of the City, on behalf of Contractor, and on behalf of Escrow Agent in connection with the foregoing, and exemplars of their respective signatures are as follows:

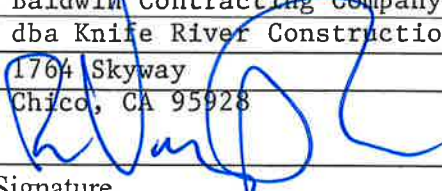
On behalf of City:

Mark Orme  
 City Manager  
 P. O. Box 3420  
 Chico, CA 95927-3420

  
 \_\_\_\_\_  
 Signature

On behalf of Contractor:

Rene J. Vercruyssen  
 Baldwin Contracting Company, Inc.  
 dba Knife River Construction  
 1764 Skyway  
 Chico, CA 95928

  
 \_\_\_\_\_  
 Signature

On behalf of Escrow Agent:

Shelley Laurel

Merchants Bank of Commerce  
1504 Eureka Road, Suite 100  
Roseville, CA 95661

Shelley Laurel  
Signature

At the time the escrow account is opened, the City and Contractor shall deliver to the Escrow Agent a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement by their proper officers on the date first set forth above.

City:

Contractor:

City Manager  
Title

Vice President  
Title

Mark Orme  
Name

Rene J. Verduyssen  
Name

Mark Orme  
Signature

[Signature]  
Signature

Escrow Agent:

APPROVED AS TO FORM:

SVP/Regional Manager  
Title

Andrew L. Jared  
Andrew L. Jared, City Attorney\*

Shelley Laurel  
Name

\*Pursuant to The Charter of the City of Chico, Section 906(D)

Shelley Laurel  
Signature

APPROVED AS TO CONTENT:

[Signature]  
Brendan Ottoboni, Public Works Director,  
Engineering

**PUBLIC WORKS PROJECT CONTRACT**  
**CITY OF CHICO/BALDWIN CONTRACTING COMPANY, INC.**  
**dba KNIFE RIVER CONSTRUCTION**

**RECONSTRUCT TAXIWAY A & CROSS TAXIWAYS PHASE 2**  
**(Project Title)**

**857-000-8800/50470-857-4150**  
**(Project No.)**

THIS PUBLIC WORKS CONTRACT ("CONTRACT") is made as of 2020, by and between the City of Chico, a municipal corporation of the State of California ("City"), and Baldwin Contracting Company, Inc. dba Knife River Construction, a corporation ("Contractor").

City and Contractor agree as follows:

**ARTICLE 1 BASIC INFORMATION**

- |      |  |   |
|------|--|---|
| 1.1  | City:  | CITY OF CHICO   |
| 1.2  | City's Representative:   | Mark Orme, City Manager   |
| 1.3  | City's address:  | P. O. Box 3420, Chico, CA 95927-3420  |
| 1.4  | Contractor:  | Baldwin Contracting Company, Inc. dba Knife River Construction  |
| 1.5  | Contractor's Representative:   | Richard A. Lanier, Estimating Manager   |
| 1.6  | Contractor's address:  | 1764 Skyway, Chico, CA 95928  |
| 1.7  | Project name and location:   | Reconstruct Taxiway A & Cross Taxiways Phase 2  |
| 1.8  | City's Project Manager,<br>Contract Documents prepared by:   | C&S Engineers, Inc. Consulting Airport<br>Consultant  |
| 1.9  | The following listed<br>addenda are incorporated<br>in the Contract Documents:                                     | Exhibit "A" Description of Project<br>Exhibit "B" Contract Sum - Unit Prices<br>Exhibit "C" Guarantee<br>Exhibit "D" Insurance Requirements |
| 1.10 | Terms defined in City's General Conditions shall have the same meanings when used in this Contract, if applicable. |   |

## **ARTICLE 2 WORK**

- 2.1 Contractor shall provide all labor, materials, equipment, tools, and services required by City and shall perform all work described in the Contract Documents. Contractor agrees to do additional Work arising from changes ordered by City pursuant to Article 7 of the General Conditions.

## **ARTICLE 3 CONTRACT TIME**

- 3.1 Contractor shall commence the Work on the date specified in City's Notice to Proceed. The Work shall be fully completed within 35 days (the "Contract Time") after the date of commencement specified in City's Notice to Proceed.

## **ARTICLE 4 LIQUIDATED DAMAGES**

- 4.1 City and Contractor agree that if the Work is not completed within the Contract Time, City's damages would be extremely difficult or impracticable to determine. Therefore, City and Contractor agree that if Contractor fails to complete the Work within the Contract Time, Contractor shall pay to City, on demand, as liquidated damages and not as a penalty, the sum of Two Thousand Dollars (\$2,000.00) for each day after the expiration of the Contract Time that the Work remains incomplete, and that this amount is a reasonable estimate of and a reasonable sum for such damages. City may deduct any liquidated damages owed to City, as determined by City, from any payments otherwise payable to Contractor under this Contract.
- 4.2 Nothing contained herein shall limit City's rights or remedies against Contractor for any default other than failure to complete the Work within the Contract Time. This provision for liquidated damages shall not be applicable nor act as a limitation upon City if Contractor abandons the Work. In such event, Contractor shall be liable to City for all losses incurred.

## **ARTICLE 5 CONTRACT SUM**

- 5.1 The Contract Sum is: Two Million, Eight Hundred Seventy-Seven Thousand, Two-Hundred Sixty-Three Dollars (\$2,877,263.00).
- 5.2 City shall pay to Contractor, for the performance of the Work, the Contract Sum subject to adjustment for alternates, unit price items, changes ordered by City, and as otherwise provided in the Contract Documents.
- 5.3 Unit prices, if any, and their respective estimated quantities, if specified, are listed in Exhibit "B" Contract Sum - Unit Prices.

The Contract Sum will be increased by an amount equal to the unit price multiplied by the actual number of units of each unit price item incorporated in the Work. Adjustment of unit prices, if actual quantities vary from estimated quantities, is subject to the provisions of Section 7.5 of the General Conditions.

**ARTICLE 6 CONTRACT DOCUMENTS**

- 6.1 The Contract Documents consist of this Contract, Federal Provisions, Local and State General Provisions, Special Conditions, Technical Provisions, Construction Plans, Construction Management Plan, Construction Safety and Phasing Plan, Addenda, Bid Form, Bid Schedule, Bidder's Bond, Designation of Subcontractors, Bidder's Statement on Previous Contracts Subject to EEO Clause, Prohibition of Segregated Facilities, Disadvantaged Business Enterprise Utilization, Letter of Intent, Bidder's List, Certificates Regarding Debarment, Trade Restriction Certification, Certification Regarding Lobbying, Buy American Certification, Noncollusion Affidavit, Guarantee, Certificates of Insurance, Performance Bond, Labor and Materials Bond, Notice to Proceed, Contract Change Orders, and all other documents identified in this Contract, copies of which have been provided to Contractor by City.

**ARTICLE 7 DUE AUTHORIZATION**

- 7.1 The person or persons signing this Contract on behalf of Contractor hereby represent and warrant to City that this Contract is duly authorized, signed, and delivered by Contractor.

THIS CONTRACT is entered into as of the date first written above and is executed in at least three original counterparts. One counterpart original shall be delivered to Contractor and two counterpart originals shall be delivered to City.

**ARTICLE 8 FEDERAL CONTRACT PROVISIONS**

- 8.1 The work to be done under this agreement is being financed in whole or in part by means of a grant made by the United States acting through the Federal Aviation Administration of the Department of Transportation. The Contractor must adhere to the Required Contract Provisions for Airport Improvement Program and for Obligated Sponsors, included in Part B of Division III of the specifications.
- 8.2 All mechanics and laborers on the project shall be paid no less than the minimum wage rate established by the U.S. Secretary of Labor. A copy of the Department of Labor Wage Rate Determination applicable to this contract is included in Part C of Division III of the specifications.

THIS CONTRACT is entered into as of the date first written above and is executed in at least three original counterparts. One counterpart original shall be delivered to Contractor and two counterparts originals shall be delivered to City.

CITY OF CHICO

CONTRACTOR

Mark Orme

Richard A. Lanier



By: Mark Orme, City Manager\*

(Name)

Richard A. Lanier  
Estimating Manager

\*Authorized pursuant to Section 3.20.060 of the Chico Municipal Code.

(Title)

A, C8, C12, HAZ

(Name and Classification of License)

91712

(California License Number)

8/31/2023

(Expiration Date)

APPROVED AS TO FORM:

Andrew L. Jared

Andrew L. Jared, City Attorney\*

\*Approved pursuant to The Charter of the City of Chico § 906(D)

REVIEWED AS TO CONTENT:

APPROVED AS TO CONTENT:

Scott Dowell

Scott Dowell, Administrative Services Director\*

Brendan Ottoboni

Brendan Ottoboni, Public Works Director,  
Engineering

\*Reviewed by Finance and Information Systems

(Complete notary acknowledgment for all signatures of Contractor. If signed by other than the sole proprietor, a general partner, or corporate officer, attach original notarized power of attorney or corporate resolution.)

**PUBLIC WORKS PROJECT CONTRACT**  
**CITY OF CHICO/BALDWIN CONTRACTING COMPANY, INC.**  
**dba KNIFE RIVER CONSTRUCTION**

**RECONSTRUCT TAXIWAY A & CROSS TAXIWAYS PHASE 2**  
**(Project Title)**

**857-000-8800/50470-857-4150**  
**(Project No.)**

**EXHIBIT "A"**  
**Description of Project**

The second phase of the reconstruction of Taxiway A at the Chico Municipal Airport will include a full depth pavement rehabilitation and re-striping of approximately 50' x 2,200'. Project also includes replacing taxiway edge lights and taxiway/airfield guidance signage.



**PUBLIC WORKS PROJECT CONTRACT**  
**CITY OF CHICO/BALDWIN CONTRACTING COMPANY, INC.**  
**dba KNIFE RIVER CONSTRUCTION**

**RECONSTRUCT TAXIWAY A & CROSS TAXIWAYS PHASE 2**  
**(Project Title)**

**857-000-8800/50470-857-4150**  
**(Project No.)**

**EXHIBIT "B"**  
**Contract Sum - Unit Prices**

<b>ITEM NO.</b>	<b>DESCRIPTION</b>	<b>QUANTITY</b>	<b>UNIT</b>	<b>UNIT COST</b>	<b>TOTAL COST</b>
<b>BASE BID - PHASE 2 TAXIWAY A - 50' x 2,200'</b>					
1	Mobilization (GP-105)	1	LS	\$400,000.00	\$400,000.00
2	SWPPP Prepared by Qualified SWPPP Developer (QSD) (ST-02)	1	LS	\$35,000.00	\$35,000.00
3	Marking and Lighting of Closed Airport Facilities (ST-03)	1	LS	\$25,000.00	\$25,000.00
4	Pavement Removal - Asphalt (P-101)	15,400	SY	\$3.00	\$46,200.00
5	Pavement Removal - Concrete (P-101)	5,000	SY	\$20.00	\$100,000.00
6	Clearing and Grubbing (P-151)	4	ACRES	\$2,500.00	\$10,000.00
7	Unclassified Excavation (P-152)	6,500	CY	\$45.00	\$292,500.00
8	Muck Excavation (P-152)	350	CY	\$20.00	\$7,000.00
9	Imported Select Fill (ST-04)	1,200	CY	\$45.00	\$54,000.00
10	Scarify and Recompact Six Inches of Subgrade (ST-05)	5,900	SY	\$2.00	\$11,800.00
11	Scarify and Recompact Existing Aggregate Base Course (ST-05)	12,200	SY	\$1.00	\$12,200.00
12	Recycled Subbase Course (SC-10a)	5,900	CY	\$20.00	\$118,000.00
13	Subbase Course (P-154)	3,900	CY	\$60.00	\$234,000.00
14	Crushed Aggregate Base Course (P-209)	4,960	CY	\$65.00	\$322,400.00
15	Bituminous Surface Course (P-401)	4,840	TONS	\$115.00	\$556,600.00
16	Bituminous Prime Coat (P-602)	15	TONS	\$1,000.00	\$15,000.00
17	Bituminous Tack Coat (P-603)	7	TONS	\$800.00	\$5,600.00
18	Structural Portland Cement Concrete (P-610)	60	CY	\$200.00	\$12,000.00
19	Steel Reinforcement (P-610)	550	LB	\$5.00	\$2,750.00
20	Remove Existing Airfield Marking (ST-06)	940	SF	\$15.00	\$14,100.00
21	Runway and Taxiway Marking (P-620)	8,800	SF	\$0.85	\$7,480.00
22	Reflective Media (P-620)	460	LB	\$4.75	\$2,185.00
23	18" Reinforced Concrete Pipe Class IV (D-701)	265	LF	\$240.00	\$63,600.00
24	Inlets (D-751)	4	EA	\$7,000.00	\$28,000.00
25	Concrete Flared End Section (ST-08)	2	EA	\$3,000.00	\$6,000.00
26	No. 8 AWG, 5 kV, L-824, Type C Cable, Installed in Duct Bank or Conduit (L-108)	12,000	LF	\$3.00	\$36,000.00
27	No. 6 AWG Bare, Stranded Equipment Ground, Installed in Duct Bank or Conduit (L-108)	6,500	LF	\$2.00	\$13,000.00

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
28	Non-Encased Electrical Conduit, 1-way, 2-inch (L-110)	4,900	LF	\$28.00	\$137,200.00
29	Concrete Encased Electrical Conduit, 1-way, 2-inch (L-110)	618	LF	\$45.00	\$27,810.00
30	Concrete Encased Electrical Conduit, 2-way, 3-inch (L-110)	105	LF	\$100.00	\$10,500.00
31	Electrical Junction Structure, L-867, Size E (L-115)	1	EA	\$3,150.00	\$3,150.00
32	Electrical Demolition (ST-12)	1	LS	\$31,388.00	\$31,388.00
33	New LED Elevated Taxiway Edge Lights and Transformers, L-861T, Furnished and Installed on New Light Bases (ST-12)	43	EA	\$1,500.00	\$64,500.00
34	New 2-Stage LED Elevated Taxiway Edge Lights and Transformers, L-861T, Furnished and Installed on New 12" Light Base with 12" Extension (ST-12)	19	EA	\$2,500.00	\$47,500.00
35	New LED Elevated Taxiway Edge Lights and Transformers, L-861T, Furnished and Installed on Existing Light Bases (ST-12)	12	EA	\$800.00	\$9,600.00
36	New LED Elevated Taxiway Edge Lights and Transformers, L-861T, Furnished and Installed on Existing Raised Light Bases (ST-12)	12	EA	\$1,100.00	\$13,200.00*
37	New LED Airfield Guidance Signs on New Sign Base and L867 Base, 2 Face, 4 Module, Lighted, Size 1, Style 2 (ST-12)	1	EA	\$9,000.00	\$9,000.00
38	New LED Airfield Guidance Signs on New Sign Base and L867 Base, 1 Face, 2 Module, Lighted, Size 1, Style 2 (ST-12)	2	EA	\$7,000.00	\$14,000.00
39	New LED Airfield Guidance Signs on New Sign Base and L867 Base, 2 Face, 2 Module, Lighted, Size 1, Style 2 (ST-12)	4	EA	\$7,000.00	\$28,000.00
40	New LED Airfield Guidance Signs on New Sign Base and L867 Base, 2 Face, 3 Module, Lighted, Size 1, Style 2 (ST-12)	3	EA	\$8,000.00	\$24,000.00
41	New LED Airfield Guidance Signs on Existing Sign Base and L867 Base, 2 Face, 1 Module, Lighted, Size 1, Style 2 (ST-12)	2	EA	\$6,000.00	\$12,000.00
42	New LED Airfield Guidance Signs on Existing Sign Base and L867 Base, 2 Face, 3 Module, Lighted, Size 1, Style 2 (ST-12)	1	EA	\$8,000.00	\$8,000.00
43	New LED Airfield Guidance Sign Panel on Existing Sign and Base, 2 Face, 2 Module, Lighted, Size 1, Style 2 (ST-12)	1	EA	\$7,000.00	\$7,000.00
<b>TOTAL BASE BID</b>					<b>\$2,877,263.00</b>
<b>ADDITIVE ALTERNATE NO. 1 (South End Taxiway A - 50' x 2,650')</b>					