

**CITY OF EL PASO, TEXAS  
REQUEST FOR COUNCIL ACTION (RCA)**

**DEPARTMENT:** Engineering Department  
**AGENDA DATE:** July 1, 2008  
**CONTACT PERSON/PHONE:** R. Alan Shubert, City Engineer Ext. No. 4423  
**DISTRICT(S) AFFECTED:** 3  
**PROJECT NAME/SOLICITATION NO.** Cedar Grove Sidewalk Improvements – Termination of Contract

**SUBJECT:**

That the City terminate the contract for default.

**BACKGROUND / DISCUSSION:**

After award of the contract, the Contractor provided to City staff an altered insurance certificate. The matter will be turned over for further legal action, including forfeiture of the bid bond. It is necessary to terminate this Contract for default and rebid the project.

**PRIOR COUNCIL ACTION:**

City Council previously awarded the construction contract June 10, 2008 to Tirayan Construction

**AMOUNT AND SOURCE OF FUNDING:**

The project is funded by: 2004 General Obligation Funds

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** *Orme Reg* \_\_\_\_\_

(Example: if RCA is initiated by Financial Services, client department should sign also)

*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:** \_\_\_\_\_

**CITY MANAGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

CITY CLERK DEPT.  
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**RESOLUTION**

**WHEREAS**, the City awarded Contract No. 2008-185 to Ricardo Lopez dba Tirayan Construction on June 10, 2008, for Cedar Grove Sidewalk Improvements; and

**WHEREAS**, the City Council finds that the Company is in default of the provisions of the Contract because the Company has violated local, state, or federal laws rules, and/or regulations by providing an altered insurance certificate; and

**WHEREAS**, pursuant to Section 6.9.1 of the Contract (Right of Owner to Terminate Contract), the City is authorized to immediately terminate the Contract for default if the Contractor violates any local, state, or federal laws, rules or regulations that relate to the performance of the Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the Purchasing Manager, Financial Services, Purchasing Division is authorized to notify Ricardo Lopez dba Tirayan Construction, that the City is terminating Contract No. 2008-185 pursuant to the provisions and requirements of Section 6.9.1 of the Contract due to default of the Contractor for the violation of local, state, or federal laws rules, and/or regulations by providing an altered insurance certificate, that the termination shall be effective as of July 1, 2008 and that the City Manager and City Attorney are authorized to take all appropriate action and pursue all available remedies, including forfeiture of the bid bond.

**PASSED AND APPROVED this 1<sup>st</sup> day of July, 2008.**

**THE CITY OF EL PASO**

\_\_\_\_\_  
John Cook  
Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda D. Momsen  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Bertha A. Ontiveros  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
for R. Alan Shubert, P.E., C.B.O.  
City Engineer

CITY CLERK DEPT.  
08 JUN 26 PM 4:58