



# ***Agenda Report***

## ***Fullerton City Council***

**MEETING DATE:** JULY 6, 2021

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**SUBMITTED BY:** STEVE DANLEY, ACTING CITY MANAGER

**PREPARED BY:** MEG McWADE, PUBLIC WORKS DIRECTOR  
DAVID GRANTHAM, PRINCIPAL CIVIL ENGINEER

**SUBJECT:** JACARANDA-DRAKE AREA INFRASTRUCTURE  
IMPROVEMENTS PROJECT - GRFCO, INC. DEBARMENT

---

### **SUMMARY**

Authorize payment of work performed on City projects prior to debarment of contractor, GRFCO, Inc.

### **RECOMMENDATION**

Authorize \$127,820.09 retention payment for work completed prior to May 21, 2021 on Jacaranda-Drake Area Infrastructure Improvements Project (CIP Project 44042), upon satisfactory completion of all remaining punch list items.

### **PRIORITY POLICY STATEMENT**

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

### **FISCAL IMPACT**

The project budget has sufficient funds available.

### **DISCUSSION**

On June 16, 2020, City Council awarded a \$2,488,035 construction contract to GRFCO, Inc. for the Jacaranda-Drake Area Infrastructure Improvements Project. This project involved replacement of existing sewer main, construction of a new sewer main siphon across Chapman Avenue, rehabilitation of roadway pavement, replacement of deteriorated curbs, gutters, sidewalk, cross gutters, spandrels and construction of new ADA access ramps.

GRFCO completed construction field work and filed the project Notice of Completion on March 19, 2021 with only administrative punch list items (as-built plans and release letter from property owner for construction staging yard) outstanding. Due to these outstanding punch list items, the City has held a \$127,820.09 retention payment (typically due thirty-days after filing of the project Notice of Completion).

On May 27, 2021, the City received a Notice of Debarred Contractor from the State of California, Department of Industrial Relations (Attachment 1) declaring GRFCO, Inc. ineligible as of May 21, 2021 to perform work on any public works project for a period of three years.

Based on this information, the City technically has an active contract with a now debarred contractor. After discussions with the City Attorney and the fact that GRFCO, Inc. completed field construction work prior to May 21, 2021, staff recommends City Council authorize payment of retention after satisfactory completion of the two-remaining administrative punch list items.

Attachments:

- Attachment 1 – Notice of Debarment