

K20-1145

Bond No. GS08000066

CONTRACT
BY AND BETWEEN
THE CITY OF NEW ORLEANS
AND
STALLINGS CONSTRUCTION COMPANY, INC.
BID PROPOSAL NO.: 595
VILLAGE DE L'EST COMMUNITY BUILDING – PHASE II

THIS CONTRACT (the “Contract”) is entered into by and between the City of New Orleans, represented by LaToya Cantrell, Mayor (the “City”), and Stallings Construction Company, Inc., represented by Mark C. Stallings, Vice President (the “Contractor”). The City and Contractor are each sometimes referred to as a “Party,” and collectively, as the “Parties.” The Contract is effective as of the date of execution by the City (the “Effective Date”).

RECITALS

WHEREAS, on June 17, 2020, the City issued an Invitation to Bid No. 595, and Addendum No. 1 dated June 30, 2020, Addendum No. 2 dated July 8, 2020, Addendum No. 3 dated July 9, 2020, Addendum No. 4 dated July 14, 2020, Addendum No. 5 dated July 24, 2020, and Addendum No. 6 dated July 31, 2020, seeking a contractor to provide construction services for the Village De L’Est Community Building – Phase II (the “ITB”);

WHEREAS, the Contractor submitted the lowest responsive bid in response to the ITB; and

WHEREAS, the City desires to award the Contract to the Contractor;

NOW THEREFORE, the City grants and confirms to the Contractor the Contract to provide construction services for the Village De L’Est Community Building – Phase II to the City under the ITB, and the City and the Contractor, for good and valuable consideration, agree as follows:

ARTICLE I - THE CONTRACTOR’S OBLIGATIONS

The Contractor will perform all obligations of the Contractor and be subject to all terms and conditions set forth in this Contract and in the following documents that are incorporated fully into this Contract: the ITB and the Contractor’s Bid dated August 6, 2020 (the “Bid”).

ARTICLE II - THE CITY’S OBLIGATIONS

The City will pay the Contractor at the rates set forth in the Contractor’s Bid for the satisfactory performance of this Contract and will perform all obligations of the City, and be subject to all terms and conditions set forth, in this Contract and any incorporated documents.

- A. Base Bid
 - B. (Accepted) Alternate No. 1 – [ADD]
 - C. (Accepted) Alternate No. 2 – [ADD]
 - a. Total Bid
- | |
|-----------------------|
| \$1,087,000.00 |
| 107,000.00 |
| 33,400.00 |
| <u>\$1,227,400.00</u> |

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Contract between
The City of New Orleans and Stallings Construction Company, Inc.
ITB NO. 595
BRASS# 2150; K# K20-1145

ARTICLE III - THE SURETY'S OBLIGATIONS

A. Performance and Payment Bonds. The Gray Insurance Company (the “Surety”) intervenes in this Contract and binds itself as surety for:

1. The faithful performance of all work required of the Contractor by this Contract in the full sum of \$1,227,400.00; and
2. The full payment by the Contractor of all payments to be made by the Contractor under this Contract in the full sum of \$1,227,400.00.

Each of these bonds is to be considered separate and distinct, and no payment made by the Surety under either bond shall in any way reduce the obligations of the Surety under the other.

B. Acknowledgement of Contract. The Surety represents and warrants that it has fully read and understands the terms of this Contract, including all incorporated documents.

C. Survival and Validity of Bonds. The Surety's bonds shall remain in full force and effect, and shall survive the termination of this Contract, but shall become null and void if the Contractor: (1) well and faithfully performs all and singular the obligations assumed by the Contractor in this Contract; (2) promptly pays all wages of laborers, workmen, and mechanics to be employed by the Contractor for all work done or labor performed by the Contractor or by any subcontractors; or furnished to subcontractors, and used in the construction, erection, alteration, performance, or repairs of the work required by the Contract; (3) promptly pays for all materials or supplies furnished to the Contractor, or by any subcontractor, or to any subcontractor, and used in, or for use in machines used in, the construction, erection, alteration, performance, or repair of the work required by the Contract; (4) fully secures and protects the City, its legal successors and representatives, from all loss or expense of any kind, including premises, including all costs of Court and attorneys' fees, made necessary or arising from the failure, refusal, or neglect of the Contractor to comply with all of the obligations assumed by it; and (5) promptly delivers all the work required by the Contract to the City, free from any and all claims, liens, and expenses. The obligations of the Surety will not be affected in any way by any modifications, omissions, or additions in or to the terms of this Contract, the plans or specifications, or in the manner and mode of payment.

ARTICLE IV – LIVING WAGES

A. Definitions. Unless otherwise expressly provided in this Amendment, Capitalized terms used but not defined herein, shall have the definition attributed to them in Article VIII, Section 70-802 of the City Code.

B. Compliance. To the fullest extent permitted by law, the Contractor agrees to abide by City Code Sections 70-801, *et seq.*, which requires, in pertinent part, the following:

1. Payment of an hourly wage to Covered Employees equal to the amounts defined in the City Code (“**Living Wage**”);
2. Receipt of at least seven (7) days per year of compensated leave for Covered Employees, as required by Section 70-807 of the City Code; and

3. Post notice in a prominent place regarding the applicability of the Living Wage Ordinance in every workplace in which Covered Employees are working that is within the Covered Employer's custody and control, as required by Section 70-810 of the City Code.

C. Current Living Wage. In accordance with the Living Wage Ordinance, the current Living Wage per the Consumer Price Index data is equal to \$11.19. The Contractor shall be responsible for confirming the Current Living Wage by visiting <https://www.nola.gov/economic-development/workforce-development/>.

D. Adjusted Living Wage. In accordance with Section 70-806(2) of the City Code, the Contractor acknowledges and agrees that the Living Wage may be increased during the term of the Amendment. Any City contract or City financial assistance agreement (a) extending from one calendar year into the next or (b) with a term of longer than one year, inclusive of any renewal terms or extensions, shall require the Covered Employer to pay the Covered Employee an Adjusted Living Wage, accounting for the annual Consumer Price Index adjustment. The indexing adjustment shall occur each year on July 1st using the Consumer Price Index figures provided for the calendar year ended December 31st of the preceding year, and thereafter on an annual basis.

E. Subcontract Requirements. As required by Section 70-804 of the City Code, the Contractor, beneficiary, or other Covered Employer, prior to entering into a subcontract, shall notify subcontractors in writing of the requirements and applicability of Article VIII – The Living Wage Ordinance (“Article”). City contractors and beneficiaries shall be deemed responsible for violations of this Article by their subcontractors.

F. Reporting. On or before January 31st and upon request by the City, the Contractor shall identify (a) the hourly wage earned by the lowest paid Covered Employee and (b) the number of days of compensated leave received by Covered Employees earning less than 130% of the then-prevailing wage during the current term of the Agreement, and provide the identified information to the following:

Office of Workforce Development
Living Wage - Compliance
1340 Poydras Street – Suite 1800
New Orleans, Louisiana 70112

G. Compliance Monitoring. Covered Employers under this Amendment are subject to compliance monitoring and enforcement of the Living Wage requirements by the Office of Workforce Development (the “OWD”) and/or the Chief Administrative Office (“CAO”). Covered Employers will cooperate fully with the OWD and/or the CAO and other City employees and agents authorized to assist in the administration and enforcement of the Living Wage requirements. Steps and actions include, but are not limited to, requirements that: (i) the Contractor will cooperate fully with the OWD and the CAO and other City employees and agents authorized to assist in the administration and enforcement of the Living Wage requirements; (ii) the Contractor agrees that the OWD and the CAO and their designees, in the performance of their duties, shall have the right to engage in random inspections of job sites and to have access to the

employees of the Contractor, payroll records and employee paychecks; and (ii) that the City may audit such records of the Contractor as he or she reasonably deems necessary to determine compliance with the Living Wage standards.

H. Remedies. If the Contractor fails to comply with the Living Wage requirements during the term of the Amendment, said failure may result in termination of the Agreement or the pursuit of other remedies by the City, including, but not limited to, the penalties and enforcement mechanisms set forth in Section 70-811 of the City Code.

ARTICLE V – COST RECOVERY

In accordance with Section 2-8.1 of the Municipal Code entitled “Cost recovery in contracts, cooperative endeavor agreements, and grants,” to the maximum extent permitted by law, the Contractor shall reimburse the City or disgorge anything of value or economic benefit received from the City if the Contractor fails to meet its contractual obligations.

ARTICLE VI – FORCE MAJEURE

A. Event. An event of Force Majeure will include any event or occurrence not reasonably foreseeable by the City at the execution of this Agreement, which will include, but not be limited to, abnormally severe and unusual weather conditions or other acts of God (including tropical weather events, tornados, hurricanes, and flooding); declarations of emergency; shortages of labor or materials (not caused by City); riots; terrorism; acts of public enemy; war; sabotage; cyber-attacks, threats, or incidents; epidemics or pandemics; court or governmental order; or any other cause whatsoever beyond the reasonable control of City, provided such event was not caused by the negligence or misconduct of City, by the failure of City to comply with applicable laws, or by the breach of this Agreement.

B. Notice. To seek the benefit of this Article, the City must provide notice in writing to the Contractor stating: (1) an event triggering this Article has occurred; (2) the anticipated effect of the Force Majeure event on performance; and (3) the expected duration of the delay, if the Agreement is being suspended

C. Effect.

1. Upon the occurrence of a Force Majeure event, for which the City has provided required notice, the City may, at its sole discretion:

- a. Suspend this Agreement for a duration to be set by the City, not to exceed 90 days. During such time of suspension, the Parties will not be liable or responsible for performance of their respective obligations under this Agreement, and there will be excluded from the computation of such period of time any delays directly due to the occurrence of the Force Majeure event. During any such period of suspension, the Contractor must take all commercially reasonable actions to mitigate against the effects of the Force Majeure event and to ensure the prompt resumption of performance when so instructed by the City; or

- b. Terminate this Agreement, either immediately or after one or more periods of suspension, effective on notice to Contractor and without any further compensation due.
2. Notwithstanding Section C(1) above, the obligations relating to making payments when due (for services or materials already provided) and those obligations specified to survive in the Agreement will be unaffected by any suspension or termination.

ARTICLE VII - ADDITIONAL PROVISIONS

A. Convicted Felon Statement. The Contractor complies with City Code Section 2-8(c) and no principal, member, or officer of the Contractor has, within the preceding 5 years, been convicted of, or pled guilty to, a felony under state or federal statutes for embezzlement, theft of public funds, bribery, or falsification or destruction of public records.

B. Non-Solicitation Statement. The Contractor has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Contract. The Contractor has not paid or agreed to pay any person, other than a bona fide employee working for it, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from this Contract.

C. Non-Waiver. The failure of either Party to insist upon strict compliance with any provision of this Contract, to enforce any right, or to seek any remedy upon discovery of any default or breach of the other Party at such time as the initial discovery of the existence of such noncompliance, right, default, or breach shall not affect or constitute a waiver of either Party's right to insist upon such compliance, exercise such right, or seek such remedy with respect to that default or breach, or any prior, contemporaneous, or subsequent default or breach.

D. Entire Agreement. This Contract, including all incorporated documents, constitutes the final and complete agreement and understanding between the Parties. All prior and contemporaneous agreements and understandings, whether oral or written, are superseded by this Contract and are without effect to vary or alter any terms or conditions of this Contract.

[SIGNATURES CONTAINED ON NEXT PAGE]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the City, the Contractor, and the Surety, through their duly authorized representatives, execute this Contract.

CITY OF NEW ORLEANS

BY: 
LATOYA CANTRELL, MAYOR

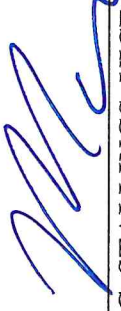
Executed on this 15th of December, 2020

FORM AND LEGALITY APPROVED:
Law Department

By: 

Printed Name: Tracy Tyler

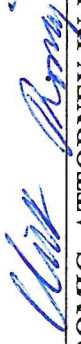
STALLINGS CONSTRUCTION COMPANY, INC.

BY: 
MARK C. STALLINGS, VICE PRESIDENT

721086733
FEDERAL TAX I.D.

THE GRAY INSURANCE COMPANY



BY: 
CLINT ROMIG, ATTORNEY-IN-FACT

[ORIGINAL POWER OF ATTORNEY
MUST BE ATTACHED TO THIS CONTRACT.]

THE GRAY INSURANCE COMPANY
THE GRAY CASUALTY & SURETY COMPANY

GENERAL POWER OF ATTORNEY

Bond Number: GS50800066 Principal: Stallings Construction Company, Inc.

Project: Village De L'est Community Building - Phase II

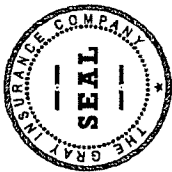
KNOW ALL BY THESE PRESENTS, THAT The Gray Insurance Company and The Gray Casualty & Surety Company, corporations duly organized and existing under the laws of Louisiana, and having their principal offices in Metairie, Louisiana, do hereby make, constitute, and appoint **Thomas J. McMahon, Jr., Elizabeth M. Blancher, R.L. Swayze, Raymond J. Posecal, Jr., Beverly Jo Baummy, Clint Romig, and Bridget Truxillo of Metairie, Louisiana jointly and severally** on behalf of each of the Companies named above its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its deed, bonds, or other writings obligatory in the nature of a bond, as surety, contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed the amount of \$10,000,000.00.

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both The Gray Insurance Company and The Gray Casualty & Surety Company at meetings duly called and held on the 26th day of June, 2003.

“RESOLVED, that the President, Executive Vice President, any Vice President, or the Secretary be and each or any of them hereby is authorized to execute a power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings, and all contracts of surety, and that each or any of them is hereby authorized to attest to the execution of such Power of Attorney, and to attach the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be binding upon the Company now and in the future when so affixed with regard to any bond, undertaking or contract of surety to which it is attached.

IN WITNESS WHEREOF, The Gray Insurance Company and The Gray Casualty & Surety Company have caused their official seals to be hereinto affixed, and these presents to be signed by their authorized officers this 12th day of September, 2011.



By:

Michael T. Gray

Michael T. Gray
President, The Gray Insurance Company
and
Vice President,
The Gray Casualty & Surety Company



Mark S. Manguno

Mark S. Manguno
Secretary,
The Gray Insurance Company,
The Gray Casualty & Surety Company

State of Louisiana

ss:

Parish of Jefferson

On this 12th day of September, 2011, before me, a Notary Public, personally appeared Michael T. Gray, President of The Gray Insurance Company and Vice President of The Gray Casualty & Surety Company, and Mark S. Manguno, Secretary of The Gray Insurance Company and The Gray Casualty & Surety Company, personally known to me, being duly sworn, acknowledged that they signed the above Power of Attorney and affixed the seals of the companies as officers of, and acknowledged said instrument to be the voluntary act and deed, of their companies.

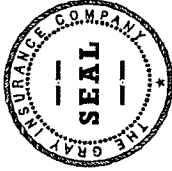


Lisa S. Millar

Lisa S. Millar, Notary Public, Parish of Orleans
State of Louisiana
My Commission is for Life

I, Mark S. Manguno, Secretary of The Gray Insurance Company and The Gray Casualty & Surety Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by the companies, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies, this day of ,



Mark S. Manguno

Mark S. Manguno, Secretary
The Gray Insurance Company
The Gray Casualty & Surety Company