



CITY OF REDDING, CALIFORNIA
COUNCIL POLICY

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BACKGROUND

From time to time, it is advantageous for the City to enter into Developer Participation Agreements with private developers for the design and construction of various types of public infrastructure when the work is an integral part of a developer’s project. This is normally done when a developer and City contemplate the developer constructing project related infrastructure with City funding including (but not limited to) impact fees and/or in-lieu park funds.

These agreements are designed to outsource the design, construction and project administration. The Director in charge of the funding source is responsible for developing the scope of work and related agreement describing the infrastructure project (Project) with support from the City Attorney and Public Works Director. The City Engineer and his designees are responsible for administering the agreement and related project development and construction of the Project, unless otherwise directed by the City Manager.

POLICY

The development and administration of a Developer Participation Agreement shall be based on the following guidelines:

Project Scope, Cost and Schedule

All of the elements of the project will be identified and agreed upon by developer and City including relative responsibility, project scope, cost and time frame for completion. These elements will be documented in the agreement.

Developer Participation Agreement

The agreement will be prepared jointly by the Developer and the Director in charge of the funding source and will include review/concurrence by the City Attorney and City Engineer. The Agreement must be approved by City Council prior to any work on the Project. Following are key elements of the agreement:

Funding

The agreement shall stipulate a maximum dollar contribution by the City which shall not be exceeded without City Council approval. The agreement will include estimates of project costs including Project Development and Construction costs.

Project Development

The agreement will include provisions requiring that the Project be designed in accordance with City Construction Standards and include a City quality assurance oversight process.



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Construction

The agreement will require the construction contract (plans, specifications and bid quantities) be developed by the developer and reviewed/approved by the City Engineer before putting the Project out to bid. The construction contract will include, but not limited to, the following key elements:

- Prevailing Wage Requirements
- Non Discrimination Provisions
- Title VI Requirements
- Insurance Requirements
- Contractor licensing requirements
- Department of Industrial Relations registration requirements
- Bonding – industry standard payment, performance and maintenance bonds
- Subcontracting requirements
- Contract Change Order Provisions
- Other items as required by the City Engineer

Bid and Contract Approval Process

The agreement will include a Public Works-like bidding process with defined City oversight including the following key items:

- Advertisement – advertisement and bid opening dates, publications, etc.
- Addendum Procedures
- Bid Opening Procedures
- Bid Protest Process
- City Council Contract Award and Approval Process

Construction Management and City Oversight

The agreement will include the requirement for inspection and City Engineer-approved construction administration oversight. In addition, the agreement will outline the following key elements:

- Developer Quality Control and City Quality Assurance Requirements
- Construction Contract Change Orders approval and City concurrence process
- Progress Payment Process – City concurrence role
- Labor Compliance process and related City quality assurance

Contract Acceptance – agreement to include City Engineer approved notice of completion and City Council acceptance of the project as complete. This will include developer submitting full accounting of project costs before project being presented to City Council.

Amended 05/15/18 by Resolution No. 2018-045