

Agenda Report

TO: CITY COUNCIL **DATE:** OCTOBER 13, 2008

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH INTERIOR DEMOLITION INC., IN AN AMOUNT NOT TO EXCEED \$93,500, FOR DEMOLITION AND HAZARDOUS MATERIALS ABATEMENT FOR THE WATER AND POWER YARDS OFFICE BUILDING WAREHOUSE RENOVATION AND NEW OPERATIONS FACILITY/EMERGENCY OPERATIONS CENTER

RECOMMENDATION:

1. Find that the activity described in the contract with Interior Demolition, Inc., for demolition and hazardous materials abatement for the Water and Power Yards Office Building/Warehouse Renovations and New Facility/Emergency Operations Center is exempt from the California Environmental Quality Act (State CEQA Guidelines Section 15332, Class 32, In-Fill Development Projects).
2. It is recommended that the City Council authorize the City Manager to enter into a contract with Interior Demolition Inc., in an amount not to exceed \$93,500, for demolition and hazardous materials abatement for the Water and Power Yards Office Building/Warehouse Renovation and New Operations Facility/Emergency Operations Center.

BACKGROUND:

In August, 2008, staff advertised an Invitation to Bid for this project on the City's bidding website, the Pasadena Star-News, Reed Construction Data and McGraw-Hill Construction News, in order to undertake demolition and hazardous materials batement as part of the Water and Power Office Building/Warehouse Renovation and New Operations Facility and Emergency Operations Center project. On September 3, 2008, a mandatory job walk was held on the project site, with 39 prospective bidders in attendance.

On October 3, 2008, the City received seven bids for the project. Following review of all submitted bids, it was determined that the lowest responsive and responsible bid was submitted by Interior Demolition Inc.

	<u>Bidder</u>	<u>Amount</u>
1.	Interior Demolition, Inc.	\$ 85,000
2.	U.S. Demolition, Inc.	\$ 93,061
3.	American Wrecking, Inc.	\$ 109,427
4.	Castlerock Environmental, Inc.	\$ 128,825
5.	Miller Environmental, Inc.	\$ 210,000
6.	ATE Environmental, Inc.	\$ 290,000
7.	Specialized Environmental, Inc.	\$ 324,440

The breakdown of the contract amount is as follows:

Contract amount for Demolition & Hazardous Materials Abatement	\$ 85,000
Contingency (10%)	<u>\$ 8,500</u>
Total Project Cost:	\$ 93,500

The Engineer's original estimate for the project was \$300,000, however, receipt of an updated environmental report by the City prior to bid, clarified the amount of remediation required for this site demolition. This fact, coupled with the recent downturn in the housing and commercial construction industry, resulted in increased bid competition for the project, and associated project cost savings.

It is recommended that Interior Demolition Inc., be awarded a contract for an amount not to exceed \$93,500, for the demolition and hazardous abatement for the project, as they are the lowest responsive and qualified bidder. The company has been in business for twenty three years and has extensive experience in building demolition and abatement of hazardous materials.

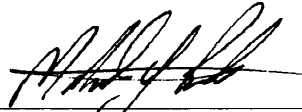
Demolition is expected to begin in November 2008, and is scheduled for completion by January 2009. Upon completion of demolition activity on site, construction for the new Water and Power Building will commence, which was bid under a separate contract.

Approval of this contract is expected to provide no new hires for this project.

FISCAL IMPACT

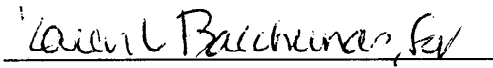
Approximately eighty percent (80%) of the project cost will come from the Power Fund, and approximately twenty percent (20%) will come from Water Fund. Sufficient funds are available in both the Power and Water Funds to cover the cost of this project.

Respectfully submitted,



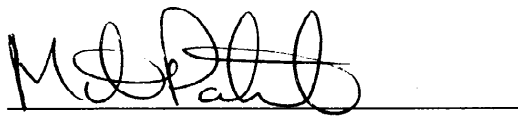
MICHAEL J. BECK
City Manager

Prepared by:



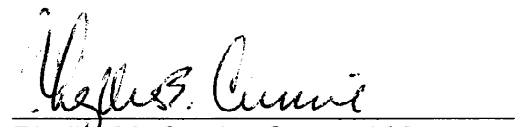
Segun Abegunrin
Capital Project Administrator

Approved by:



Martin Pastucha
Director of Public Works

Concurrence:



Phyllis M. Currie, General Manager
Pasadena Water and Power