

# Agenda Report

January 11, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO VART CONSTRUCTION, INC. FOR CITYWIDE SIDEWALK IMPROVEMENTS – 2016, FOR AN AMOUNT NOT TO EXCEED \$885,000**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the project proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that previously existing at the time of the lead agency's determination; and
2. Accept the bid dated December 15, 2015, submitted by Vart Construction, Inc., in response to the Project Specifications for Citywide Sidewalk Improvements – 2016, and authorize the City Manager to enter into such contract as is required for an amount not to exceed \$885,000.

## **BACKGROUND:**

Section 12.04 of the Pasadena Municipal Code states that repair of damage sidewalk is the adjacent property owner's responsibility. Currently, this ordinance is triggered when a building permit valued over \$20,000 is obtained or when a property sale requires an occupancy inspection. Property owners may hire a contractor to repair existing damage with a Public Works permit, or pay funds to the City to program the repair into one of the City's annual concrete repair contracts which are constructed annually.

In April 2015, the Municipal Services Committee (MSC) approved a new "Citywide Sidewalk Improvement Program" to address the approximately 1.1 million square feet of damaged sidewalk throughout the City which is estimated to cost \$17 million to repair. At that meeting, staff was requested to create a new Capital Improvement Program (CIP) project, pursue funding and work with the Accessibility and Disability Commission to establish a sidewalk repair priority criteria.

The following priority criteria was established in partnership with the Accessibility and Disability Commission and presented to City Council during the adoption of the FY 2016 CIP:

- High traffic volume streets
- Severe vertical rise of the sidewalk
- High pedestrian volume areas
- ADA verified complaints received

The contract proposes sidewalk repair at various locations throughout the City (see Attachment A). A finding of compliance with the General Plan was previously made and is shown on page 2.13 of the FY 2016 Capital Improvement Program.

The Department of Public Works prepared plans and specifications for the project and in accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. The project was advertised in the *Pasadena Journal* on November 19, 2015. In addition, the Notice Inviting Bids was published in five trade publications and listed on the City's website, which generated notices to 20 local vendors. Fifteen contractors obtained bid packets, seven of whom submitted bids for the project.

Following advertising, bids were received on December 15, 2015, and are as follows:

	Bidder	Amount(\$)
1.	Vart Construction, Inc., Glendale	\$709,825
2.	FS Construction, Sylmar	\$802,025
3.	Bitech Construction Co., Inc., Buena Park	\$833,550
4.	Minco Construction, Inc., Gardena	\$836,575
5.	CPO Enterprises, Inc., Covina	\$836,719
6.	Gentry Brothers, Inc., Irwindale	\$943,850
7.	Nobest Inc., Garden Grove	\$1,096,000

The lowest bid received was 24 percent lower than the Engineer's Estimate of \$933,715.

Due to the favorable bid results, the Department of Public Works is adding to the Contractor's scope of work additional damaged sidewalk repair locations that would have been addressed in the Citywide Sidewalk Improvements – 2017 project. Consequently, the contingency allowance, normally ten percent of bid amount, is 25 percent to allow the department to take advantage of low unit prices for various concrete repair items.

It is recommended that Vart Construction, Inc. be awarded the contract for this project as it is the lowest responsive and responsible bidder. The proposed contract with Vart Construction, Inc. fully complies with the Competitive Bidding and the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014. The contractor has indicated that the award of this contract will result in three new hires to their present workforce. The contractor has committed to hiring Pasadena residents for all three positions. A Local Hiring Provision to notify the labor unions of the goal to employ qualified Pasadena residents for 75 percent of new labor work hours on the project was included in the project specifications.

Vart Construction, Inc. currently has two open purchase orders with the City: Restoration of Trail & Rubble Wall at Central Arroyo (\$35,000); and Clearing of Debris Basins on Rutherford Drive (\$23,000). In addition, Vart Construction, Inc. was awarded the Safe Routes to School – Lincoln Avenue project on November 16, 2015 for \$315,000, which will begin construction in January 2016, and the Miscellaneous Concrete Repair 2016 Phase II project on December 14, 2015 for \$355,000, which will begin construction in February 2016. Vart Construction, Inc. has completed contracts and purchase orders totaling approximately \$1,800,000 on various City projects since 2010.

The contract for this project will be set as follows:

Base Bid	\$ 709,825
Contingency Allowance	<u>\$ 175,175</u>
Contract "Not to Exceed" Amount	\$ 885,000

It is anticipated that construction will begin in February 2016 and be completed in July 2016.

In addition to this contracted sidewalk work, the Citywide Sidewalk Improvements CIP project also has \$250,000 of CDBG funding that will be used to repair sidewalks utilizing City crews staffed with Maintenance Assistance and Services to Homeowners (MASH) employees. These crews will address needed sidewalk repairs in CDBG Benefit Service Areas.

**COUNCIL POLICY CONSIDERATION:**

The project is consistent with the City Council's goals to improve, maintain and enhance public facilities and infrastructure, and improve mobility and accessibility throughout the City. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

**ENVIRONMENTAL ANALYSIS:**

The City's Environmental Administrator recommends that the City Council determine the proposed project to be exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that existing at the time of lead agency's determination.

**FISCAL IMPACT:**

The cost of this contract is \$885,000 and the total cost of this action will be \$1,000,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Citywide Sidewalk Improvements (Budget Account 73913) CIP project. It is anticipated that all of the cost will be spent in FY 2016 and FY 2017.


The following table presents a summary of the sources of funds that will be used.

General Fund	\$ 1,000,000
<b>Total Sources</b>	<b>\$ 1,000,000</b>

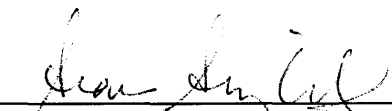
The following table represents a project summary.

Base Bid	\$ 709,825
Contingency	\$ 175,175
Contract Administration/Inspection	\$ 115,000
<b>Total Fiscal Impact</b>	<b>\$ 1,000,000</b>

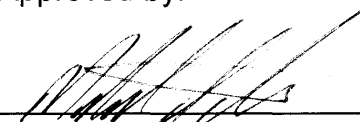
Respectfully submitted,

  
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