

# Agenda Report

August 28, 2017

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO ARAMEXX GROUP INC. FOR EAST ARROYO NEIGHBORHOOD CONNECTOR TRAIL IMPROVEMENTS FOR AN AMOUNT NOT TO EXCEED \$150,000 AND AMENDMENT TO FY 2018 CIP BUDGET**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Class 1, Section 15301, Existing Facilities, which exempts minor alteration of existing public facilities where no expansion of the use will take place;
2. Amend the Fiscal Year 2018 Capital Improvement Program Budget by appropriating \$60,000 in Residential Impact Fees to the East Arroyo Neighborhood Connector Trail Improvements (77377) project; and
3. i) Accept the bid dated August 11, 2017, submitted by Aramexx Group Inc. in response to the Project Plans and Specifications for the East Arroyo Neighborhood Connector Trail Improvements at Central Arroyo Seco, ii) reject all other bids, and iii) authorize the City Manager to enter into such contract for an amount not to exceed \$150,000.

## **BACKGROUND:**

This project provides for the improvements of a former Washington Boulevard roadway segment into a recreational trail. Work will consist of the following: Removal and resurfacing of a portion of the existing asphalt pavement; drainage improvements; habitat restoration plantings and irrigation; and installation of benches.

The cost of on-going maintenance for the new trail only be required on the new drought –resistant planting and drip irrigation. The asphalt paving on the trail will require no additional maintenance and have no fiscal impact on the maintenance budget.

A finding of compliance with the General Plan was previously made and is shown on page 12.3 of the FY 2017-2021 Capital Improvement Program (CIP), *East Arroyo Neighborhood Connector Trail Improvements* project.

The Department of Public Works prepared plans and specifications for this project. 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 July 24, 2017. In addition, the Notice Inviting Bids was published in five trade publications and listed on the City’s website, which generated notices to 1,014 vendors. Thirty-eight vendors including two local vendors obtained bid packets. Two prime contractors submitted bids for the project.

Following advertising, bids were received on August 11, 2017, and are as follows:

<u>Bidder</u>	<u>Amount</u>
1. Aramexx Group Inc., Claremont	\$136,647
2. KASA Construction, Inc., Chino	\$144,646
Engineer’s Estimate	\$130,000

It is recommended that Aramexx Group Inc. be awarded a contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Aramexx Group Inc. fully complies with Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014.

The contractor has indicated that the award of this contract will result in no new hires to the present workforce. 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.

Aramexx Group Inc. has not previously performed any work for the City.

The contract for this project will be set as follows:

Base Bid	\$136,647
Contingency	<u>\$ 13,353</u>
Contract “Not To Exceed” Amount	\$150,000

It is anticipated that construction will begin by January 2018 and be completed in February 2018.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by helping to achieve a high level of maintenance and upgrading of existing facilities to ensure public safety.

**ENVIRONMENTAL ANALYSIS:**

The proposed project is exempt from CEQA pursuant to the State CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Class 1, Section 15301, Existing Facilities, which exempts minor alteration of existing public facilities where no expansion of existing use will take place. It was determined that the proposed project would not have an adverse effect on contributing historical resources of the Pasadena Arroyo Parks and Recreation Historic District.

**FISCAL IMPACT:**


Staff recommends amending the FY 2018 by appropriating \$60,000 in Residential Impact Fees to the *East Arroyo Neighborhood Connector Trail Improvements* project and increasing the total estimated cost by a like amount. There is sufficient fund balance in the Residential Impact Fee Fund to support the proposed increase. Since August 2015, the project went through three design iterations based on community input meetings before a final design was reviewed and approved by Recreation and Park Commission and Design Commission. The project development, planning, and design phase costs exceeded the original budgeted estimates. The additional appropriation of funds is needed to complete the construction phase of the project.

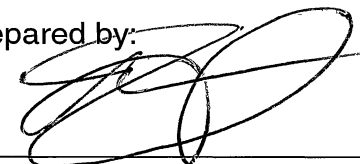
The cost of this contract is \$150,000 and the total cost of this action will be \$185,000. Funding for this action will be addressed by the utilization of existing and recommended budgeted appropriations in the *Arroyo Projects – Central Arroyo, East Arroyo Neighborhood Connector Trail Improvements* CIP project (budget account 77377). It is anticipated that all of the costs will be spent in FY 2018.

The following table represents a project summary.

Base Bid	\$ 136,647
Contingency	\$ 13,353
Contract Administration/Inspection	\$ 35,000
<b>Total Fiscal Impact</b>	<b>\$ 185,000</b>

Respectfully submitted,

  
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Director of Public Works

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