



Agenda Report

April 8, 2019

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **CONTRACT AWARD TO GOLDEN GATE STEEL, INC. DBA GOLDEN GATE CONSTRUCTION FOR HALE BUILDING – 2ND FLOOR INTERIOR REHABILITATION PROJECT FOR AN AMOUNT NOT TO EXCEED \$562,000**

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, Article 19, Section 15301, Class 1, 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 that there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances; and
2. i) Accept the bid dated March 20, 2019, submitted by Golden Gate Steel, Inc. dba Golden Gate Construction in response to the Project Plans and Specifications for the Hale Building Interior Remodel, ii) reject all other bids received March 20, 2019, and iii) authorize the City Manager to enter into such contract for an amount not to exceed \$562,000 which includes the base contract amount of \$468,526 and a contingency of \$93,474 to provide for any necessary change orders.

BACKGROUND:

The Hale Building is located at 175 North Garfield Avenue. The building was constructed in 1929 for the Southern California Gas Company and later acquired by the City in 1986.

After an extensive rehabilitation of the building in 1994, the Hale Building has been home to the City's Permit Center. Since then, minimal building and tenant improvements have been made to the facility. Carpets are torn, cubicles have missing pieces that are no longer supplied by the vendor, and there is insufficient workspace and workstations to accommodate existing staff.

This project is the first phase of a multi-phase comprehensive remodel of the Hale Building. The proposed improvements consist of rehabilitating the interior of the second floor office space that currently houses 36 Planning Department staff members. The work scope includes space planning to accommodate four additional staff, replacement of worn interior finishes and furniture that were installed 25 years ago and are beyond repair, painting of interior walls, and installation of a new electrical system and low-voltage system that will accommodate future upgrades to the information data system. The design plans were prepared by Ex Novo, Inc. and P2S Engineering.

In an effort to minimize costs, staff members will be relocated into temporary work spaces within the Hale Building and Central Library, in lieu of utilizing costly temporary office trailers. Relocation of staff will present no adverse impact to the customer service provided at the Permit Center.

A finding of compliance with the General Plan was previously made and is shown in the FY 2019 - 2023 Capital Improvement Program (CIP) on page 1.2 - Hale Building Interior Remodel.

The Department of Public Works prepared plans and specifications in coordination with staff from the Department of Planning and Community Development and the Department of Information Technology for the subject 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 February 7, 2019. In addition, the Notice Inviting Bids was published in five trade publications/websites and listed on the City website, which generated notification to 2,415 vendors, including 79 prime vendors consisting of general contractors, subcontractors, and suppliers. Two of the 40 general contractors submitted bid proposals.

Following advertising, bids were opened on March 20, 2019 and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Golden Gate Construction, Norwalk	\$ 468,526
2. Cybertech Construction Company, Inc., Tarzana	\$ 494,927
Engineer's Estimate	\$ 475,000

It is recommended that Golden Gate Construction be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Golden Gate Construction fully complies with the 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 work force. A Local Hiring Provision to notify the labor unions of the goal to

employ qualified Pasadena residents for 75 percent of the new labor work hours on the project was included in the project specifications.

Golden Gate Construction has not previously performed work for the City of Pasadena.

The contract will be set up as follows:

Base Bid	\$ 468,526
Contingency Allowance	\$ 93,474
Contract Not-to-Exceed Amount	\$ 562,000

A contingency of 20 percent is allocated to this contract given possible unforeseen conditions that may be encountered.

It is anticipated that construction will begin in August 2019, and the work will be completed in September 2019.

COUNCIL POLICY CONSIDERATION:

The project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:

This project has been determined to be categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act (Public Resources Code §21080(b)(9); Administrative Code, Title 14, Chapter 1, §15301, Class 1, Existing Facilities). Class 1 exempts from environmental review small additions, expansions or alterations to existing structures where there is negligible or no expansion of the use. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The cost of this contract is \$562,000 and the total cost of this action will be \$612,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Hale Building Interior Remodel* CIP project (budget account 71160). Funding for this project is provided by the utilization of the Building Services Fund. It is anticipated that all the costs will be spent in FY 2020.

The following table represents a project summary.

Base Bid	\$	468,526
Contingency	\$	93,474
Contract Administration/Inspection	\$	50,000
Total Fiscal Impact	\$	612,000

Respectfully submitted,



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Director of Public Works

Prepared by:



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Approved by:



STEVE MERMELL
City Manager