

Agenda Report

January 14, 2019

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH R.I.C. CONSTRUCTION CO., INC. TO PROVIDE LABOR AND MATERIALS FOR ARROYO BOOSTER STATION UPGRADES IN RESPONSE TO SPECIFICATION WD-17-12

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed authorization is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Sections 15301 (Existing Facilities) and 15302 (Replacement or Reconstruction) and that there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances; and
2. Accept the bid dated November 20, 2018 submitted by R.I.C. Construction Co., Inc. in response to Specification WD-17-12 for providing labor and materials for the Arroyo Booster Station Upgrades for the Water and Power Department, reject all other bids, and authorize the City Manager to enter into a labor and materials contract with R.I.C. Construction Co., Inc. for an amount not to exceed \$2,205,900.

BACKGROUND:

Pasadena Water and Power ("PWP") maintains and operates nineteen booster pump stations throughout the water system. The Arroyo Booster Station pumps water from the Calaveras Pressure Zone to the Gould Tanks that supply the Gould Pressure Zone. This pressure zone serves residents located in the Northwest area of Pasadena and Altadena. The existing concrete building was constructed in 1936 and houses the Arroyo Booster and Well pumps. The booster station currently consists of two booster pumps, however, a third pump is necessary to improve operational reliability. Both Booster Pumps #1 and #2 were originally installed in 1991. Furthermore, Booster #1 has been rehabilitated and serviced on numerous occasions, while Booster #2 has been replaced several times. Both pumps have reached the intended service life of this equipment. Space within the existing building is severely limited presenting a safety hazard while performing maintenance.

The purpose of this project is to replace the two existing pumps with pumps that provide demand capacity and reliability, and to add a third pump for redundancy purposes. In addition to replacing the pumps, other improvements include upgrades to the electrical and mechanical infrastructure, including switchgear for generator operation during power outages. Due to limited space in the existing building, an extension to the building is necessary to enclose the additional new pump, appurtenances and alleviate safety hazards.

The Notice Inviting Bids for Specification WD-17-12 was advertised in the Pasadena Journal, and also posted online through Planet Bids on October 22, 2018. Bid packages were downloaded by eighty-four prospective bidders. Nineteen contractors attended the mandatory pre-bid meeting on November 1, 2018 and three responsive bids were received and opened on November 20, 2018.

The results of the bids were as follows:

<u>Bidders</u>		<u>Grand Total Price</u>
1. R.I.C. Construction Co., Inc.	Hesperia, CA	\$1,999,000.01
2. Caliaqua, Inc.	Yorba Linda, CA	\$2,037,679.00
3. Green Building Corporation	Van Nuys, CA	\$2,750,000.00
Engineer's Estimate		\$1,700,000.00

R.I.C. Construction Co., Inc. was the lowest responsive and responsible bidder and complied in all respects with the requirements of the Specification. Although the lowest bid is higher than the engineer's estimate of \$1,700,000, it is recommended to proceed because the bids reflect a competitive process that includes increases in price consistent with the industry. R.I.C. Construction Co., Inc. possesses a valid and current California State Contractors License Classification "A" as required by the Specification.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance *Pasadena Municipal Code 4.08*, and the rules and regulations promulgated thereunder. The project was bid as a prevailing wage project and workers employed will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project will meet the requirements of prevailing wage law under California Labor Code Sections 1720 through 1861 and Title 8 of the California Code of Regulations.

It is recommended that the City Council award a contract to R.I.C. Construction Co., Inc. in the amount of \$2,205,900, which includes the base bid, and a contingency of approximately 10% for any necessary change orders. The contract duration is 180 working days with an estimated completion date of December 2019. The recommended contractor does not have any existing or past contracts with the City of Pasadena. The project manager in the Water Division will track and report the contract spending.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The proposed contract has been determined to be categorically exempt from CEQA pursuant to the State CEQA Guidelines, Section 15301 (Existing Facilities) and Section 15302 (Replacement and Reconstruction). Section 15301 exempts actions such as maintenance, repair, operation, etc. relating to existing facilities or structures where there is negligible or no expansion of the use. Section 15302 exempts the replacement and/or reconstruction of existing facilities or structures including utility systems and/or facilities involving negligible or no expansion of capacity. The proposed work, which consists of maintenance, rehabilitation, and replacement of existing facilities, is necessary to maintain current operations of the water system and will not expand the overall capacity.

FISCAL IMPACT:

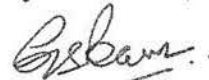
The cost of this action will be \$2,638,900.00. Funding for this action will be addressed by the utilization of existing appropriations in the Water Capital Improvement Program Budget Number 1073 – Booster Improvements. It is anticipated that approximately \$700,000 will be spent during fiscal year 2019 and the remaining balance will be spent in fiscal year 2020.

The following table presents the project summary:

Grand Total Price	\$1,999,000.01
Contingency	\$ 199,899.99
Sales Tax Differential (Measure I)	\$ 7,000.00
Total Contract Amount	\$2,205,900.00
Contract Administration	\$ 177,000.00
Inspection	\$ 202,000.00
Internal Services Allocation Estimate	\$ 54,000.00
Total Fiscal Impact	\$2,638,900.00

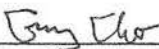
There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Water and Power Department

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STEVE MERMELL
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