

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** January 9, 2006

**THROUGH:** FINANCE COMMITTEE

**FROM:** CITY MANAGER

**SUBJECT:** CONTRACT AWARD TO M.G. CONSTRUCTION CO., INC. FOR 2006 SEWER AND STORM DRAIN REPAIRS FOR AN AMOUNT NOT TO EXCEED \$ 235,000

## **RECOMMENDATION**

It is recommended that the City Council:

1. Accept the bid, dated December 7, 2005, submitted by M. G. Construction Co., Inc. in response to the Specifications for the 2006 Sewer and Storm Drain Repairs, reject all other bids received, and authorize the City Manager to enter into such contract not to exceed \$ 235,000, which includes the base bid of \$ 172,100 and \$ 62,900 for additional work pursuant to the project specifications.
2. Approve a journal voucher appropriating \$ 170,000 from the Unencumbered Sewer Construction and Maintenance Fund (#205) balance to Budget Account 76283, Storm Drain Structure Repairs and Improvements – Various Locations.

## **BACKGROUND**

This project calls for the repair, replacement or minor modification of sewer and storm drain facilities at various locations throughout the City. The work consists of the reconstruction of sewer manhole floors, reconstruction of catch basin and culvert decks, modification of storm drain pipe and other miscellaneous appurtenant work.

This project combines two projects, Preventative Maintenance – Sewer System (Budget Account 76267) and Storm Drain Structure Repairs and Improvements – Various Locations (Budget Account 76283), which are included in the adopted Capital Improvement Program.

The Department of Public Works prepared Specifications for the subject project, and in Accordance with Section 4.08.070 of the Pasadena Municipal Code, bids have been

requested and received. The project was advertised in the Pasadena Journal on November 10, 2005. In addition, the Notice Inviting Bids was published in four trade publications, listed on two web sites, and mailed out to 74 potential bidders. Bid packets were obtained by 16 contractors, four of whom submitted bids for the project.

Following advertising, bids were opened on December 7, 2005 and are as follows:

<u>Bidder</u>	<u>Amount</u>
1. M. G. Construction Co., Inc., Arcadia	\$ 172,100.00
2. G. Coast Construction, Inc., Encino	\$ 223,519.85
3. Vasily Company, Inc., Sunland	\$ 226,450.39
4. Vasilj, Inc. dba Ivanko, Irwindale	\$ 260,500.00
Engineer's Estimate	\$ 149,900.00

It is recommended that M. G. Construction Co., Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with M. G. Construction Co., Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. The Contractor has indicated that the award of this contract will result in no new hires to his present workforce.

The proposed contract with M. G. Construction Co., Inc. will be set up as follows:

	<u>Sewer Repairs</u>	<u>Storm Drain Repairs</u>	<u>Total</u>
Base Bid	\$ 61,600.00	\$ 110,500.00	\$ 172,100.00
Additional Repairs	6,400.00	35,000.00	41,400.00
Contingency Allowance	<u>7,000.00</u>	<u>14,500.00</u>	<u>21,500.00</u>
Total	\$ 75,000.00	\$ 160,000.00	\$ 235,000.00

Contract "Not to Exceed" Amount \$ 235,000.

The estimated cost to complete this project is as follows:

	<u>Sewer Repairs</u>	<u>Storm Drain Repairs</u>	<u>Total</u>
Construction Contract	\$ 75,000.00	\$ 160,000.00	\$ 235,000.00
Construction Engineering	<u>8,000.00</u>	<u>17,000.00</u>	<u>25,000.00</u>
Total	\$ 83,000.00	\$ 177,000.00	\$ 260,000.00
Total Project Cost	\$ 260,000.00		

Three additional storm drain repair locations have been identified and will be added to this project's construction contract. This additional work includes reconstruction of two damaged culvert inlets on La Loma Road at Burleigh Drive, construction of pipe headwall on Eaton Canyon Drive at Civil Defense Center, and installation of catch basin on New York Drive, west of Sierra Madre Villa Avenue. The cost of the additional storm drain repairs is estimated to be \$ 35,000. The additional work also includes the reconstruction of a sewer manhole at 664 W. Bellefontaine Street at an estimated cost of \$6,400.00.

Budget Account 76283, Storm Drain Structure Repairs and Improvements – Various Locations, has a balance of \$10,000 available for storm drain repairs. This year an exceptional quantity of deteriorated and damaged storm drains that performed poorly during last season's heavy rainfall were in urgent need of repair with the work completed earlier this Fiscal Year. The remaining repairs, such as catch basin deck repairs, were not done under the urgent repairs, and are included in this project. The estimated cost to complete the remaining storm drain repairs is \$177,000. With the recommended transfer of \$170,000 to Account 76283, there will be sufficient funds to complete the storm drain repairs.

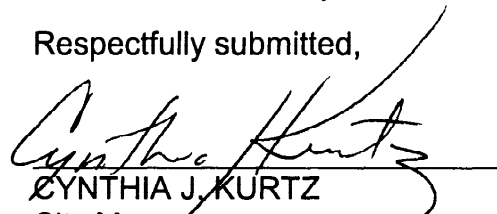
Sufficient funds are available in Budget Account 76267, Preventative Maintenance – Sewer System, to complete the sewer repairs portion of this project.

It is anticipated that the project will begin in January 2006 and be completed in February 2006.


### **FISCAL IMPACT**

Upon approval of the recommended journal voucher, funds for this project will be available in Budget Accounts 76283, Storm Drain Structure Repairs and Improvements – Various Locations and 76267, Preventative Maintenance – Sewer System.


Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

Prepared by:

  
Robert Gardner  
Principal Engineer

Reviewed by:

  
Daniel A. Rix  
City Engineer

Approved by:

  
Martin Pastucha, Director  
Department of Public Works

**City of Pasadena Taxpayer Protection Amendment of 2000  
Pasadena City Charter, Article XVII**

Contractor hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor, as follows:

<b>Contractor Name: MG CONSTRUCTION</b>		
Trustees, directors, partners, officers of Contractor: (use additional sheets as necessary)		
Mladen GIBAVAC	sole owner	
Those with more than a 10% equity, participation or revenue interest in Contractor: (use additional sheets as necessary)		

By Victoria Aguirre - Office Manager  
Name, Title  
