

Agenda Report

TO: CITY COUNCIL

Date: November 20, 2006

FROM: CITY MANAGER

SUBJECT: CONTRACT AWARD TO VASILJ, INC. dba IVANKO FOR THE LAGUNA ROAD SEWER - PHASE 4A, BURLEIGH DRIVE TO HILLSIDE TERRACE, FOR AN AMOUNT NOT TO EXCEED \$ 400,000.00.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated November 8, 2006, submitted by Vasilj, Inc. dba Ivanko in response to the Specifications for the Laguna Road Sewer - Phase 4A, Burleigh Drive to Hillside Terrace; reject all other bids received; and authorize the City Manager to enter into a contract as is required.
2. Acknowledge the project to be categorically exempt under Section 21084 of the California Environmental Quality Act of 1984 in accordance with Article 19, Section 15301 (Class 1), subsection (c) of the Resources Agency of California Guidelines (minor alterations involving negligible expansion of use beyond that previously existing) pursuant to the findings of the Secretary of the Resources Agency and authorize the City Manager to execute and the City Clerk to file a Notice of Exemption for the project with the Los Angeles County Clerk.

BACKGROUND

The project provides for replacing structurally defective and hydraulically deficient reaches of the Laguna Road Sewer. This is the last of a five-phase project that calls for replacing the undersized and deteriorated sewer line along the full length of Laguna Road from Hermosa Road to San Rafael Avenue – a distance of slightly less than one mile. Phases 1, 2, 3, and 5 of the project were completed in October 2000, January 2002, July 2004, and February 2005 respectively. Phase 4 is split into two parts: Phase 4A which consists of the sewer in Laguna Road from Burleigh Drive to Hillside Terrace, will be constructed in FY 2007; Phase 4B which consists of the sewer in Laguna Road from north of Lagunita Road to north of La Loma Road, will be constructed in FY 2008.

The work for Phase 4A consists of removing 10-inch diameter vitrified clay pipes and replacing them with 15-inch diameter vitrified clay pipes from Burleigh Drive to Hillside Terrace.

A finding of compliance with the General Plan was previously made and the project is shown on page 6.9 of the FY 2007-2012 Capital Improvement Program (CIP). This project is consistent with the Public Facilities Element of the General Plan by encouraging a high level of maintenance of existing facilities. It also encourages quality public service through efficient management.

Under the State Guidelines for the Implementation of the California Environmental Quality Act (CEQA), this project is categorically exempt since the work consists of minor alterations involving no expansion of use beyond that previously existing. Therefore, it is recommended that a Notice of Exemption be filed with the Los Angeles County Clerk.

The project was advertised in the Pasadena Star News on October 19, 2006. In addition, the Notice Inviting Bids was published in four trade publications, listed on two web sites, and mailed out to 50 potential bidders. Bid packets were obtained by 16 Contractors, 11 of which submitted bids for the project.

Following advertising, bids were received on November 8, 2006, and are as follows:

<u>Bidder</u>	<u>Amount</u>
1. Vasilj, Inc. - Irwindale	\$ 274,800.00
2. M G Construction - Arcadia	\$ 285,000.00
3. Palp, Inc. dba Excel Paving Company – Long Beach	\$ 295,751.00
4. Atlas Underground, Inc. -Pomona	\$ 322,275.00
5. Radich Construction, Inc. – Simi Valley	\$ 330,503.00
6. Zondiros Corp. - Torrance	\$ 347,930.00
7. Majich Bros., Inc. - Altadena	\$ 473,375.00
8. DLSB, Inc. - Etiwanda	\$ 518,200.00
9. Blois Construction, Inc. - Oxnard	\$ 548,544.00
10. PCN3, Inc. – Long Beach	\$ 572,650.00
11. Temco - Newhall	\$ 637,500.00
Engineer's Estimate	\$ 350,075.00

It is recommended that Vasilj, Inc. dba Ivanko be awarded the contract for this project as they are the lowest responsive and responsible bidder and that the other bids be rejected. The proposed contract with Vasilj, Inc. dba Ivanko fully complies with the competitive bidding ordinance and the rules and regulations promulgated thereunder as did the Contractor selection process. The Contractor has indicated that the award of this contract will result in one new hire to his present workforce.

In addition to the advertised work, it is requested that the repair of damaged and defective pipe in Annandale Golf Course be included in the construction contract. The damaged pipe was identified through the city's sewer inspection and evaluation program. By including the repair of the Annandale sewer with the Laguna sewer, the city will be able to coordinate the sewer repair work with a scheduled closure of the golf course in January, and will realize cost savings by utilizing a sewer contractor who is already working in this area of town. The cost for the additional work is estimated to be \$86,961 and is based on the bid prices received. Payment for the additional work in Annandale Golf Course will be made from Budget Account No. 76267, Preventive Maintenance – Sewer System. The contract for this project will be set up as follows:

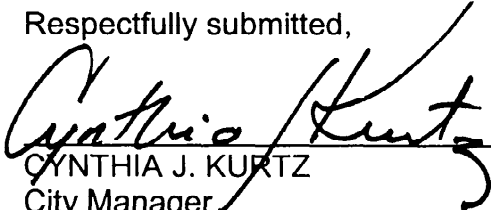
Base Bid	\$ 274,800.00
Annandale Golf Course sewer repair	86,961.00
Contingency Allowance	<u>38,239.00</u>
Contract "Not to Exceed" Amount	\$ 400,000.00

Construction will begin in January 2007 and be completed in March 2007.


FISCAL IMPACT:

Funds for the Laguna Road sewer project of the contract are available in Budget Account No. 76534, Laguna Road Trunk Sewer - Rehabilitation in the FY 2007 CIP. Funds for the Annandale Golf Course sewer repair and reconstruction of the contract are available in Budget Account No. 76267, Preventive Maintenance – Sewer System, in the FY 2007 CIP.

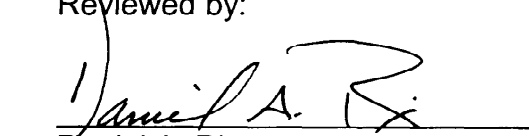
Respectfully submitted,


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

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:

VASILJ Inc.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

IVA VASILJ	PRES
IVAN VASILJ	SEC/TREAS
Robert VASILJ	OFFICER
Luka VASILJ	OFFICER
JOSIP VASILJ	OFFICER

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

Prepared by: IVA VASILJ

Title: President

Date: 11/7/06

For office use only:

Contract/Transaction No. _____

If not a contract, type of transaction: _____