

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** February 26, 2007

**FROM:** CITY MANAGER

**SUBJECT:** CONTRACT AWARD TO KALBAN, INC. FOR THE IMPROVEMENT OF AVENUE 64 FROM COLORADO BOULEVARD TO THE SOUTH CITY LIMIT AND THE IMPROVEMENT OF LA LOMA ROAD FROM AVENUE 64 TO LAGUNA ROAD (FEDERAL-AID PROJECT STPL-5064(037)) FOR AN AMOUNT NOT TO EXCEED \$ 2,300,000

## **RECOMMENDATION**

It is recommended that the City Council:

1. Accept the bid dated February 8, 2007, submitted by Kalban, Inc., in response to the Specifications for the Improvement of Avenue 64 from Colorado Boulevard to the South City Limit and the Improvement of La Loma Road from Avenue 64 to Laguna Road; reject all other bids received; and authorize the City Manager to enter into a contract for an amount not to exceed \$ 2,300,000.
2. Acknowledge the project to be categorically exempt under Section 21084 of the California Environmental Quality Act (CEQA) 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 existing pavement conditions on Avenue 64 are poor. Many of the pavement slabs are fractured and the street has substandard rideability. Avenue 64 and La Loma Road are part of an Underground Utility District project to remove power poles, overhead power, telephone and cable television lines, and construct an underground system. Also, the existing water main on Avenue 64 was upgraded by cement lining. Considerable pavement cuts were made, further damaging the roadways' condition.

This project involves the repair and/or reconstruction of damaged concrete pavement, curb, gutter, and sidewalk, and the overlay of pavement with asphalt rubber hot mix on Avenue 64 from Colorado Boulevard to La Loma Road and on La Loma Road from Avenue 64 to Laguna Road. Additional work includes repairs to the concrete section of roadway on Avenue 64 from La Loma Road to the South City Limit. The work also includes the adjustment of utility manholes and valve frames and covers, installation of permanent traffic striping and raised pavement markers, replacement of damaged sewer pipe, and miscellaneous appurtenant construction.

A finding of compliance with the General Plan was previously made and the project is shown on page 2.15 of the FY 2007-2012 Capital Improvement Program.

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 Public Works Department prepared plans and specifications for this subject project and bids have been received.

This project was advertised in the Pasadena Journal on January 18, 2007. In addition, the Notice Inviting Bids was published in two trade publications and two websites. Bid packets were obtained by twenty-three contractors, eight of whom submitted bids for the project.

Following advertising, bids were received on February 8, 2007, and are as follows:

	<u>Bidder</u>	<u>Amount</u>
1.	Kalban, Inc., Sun Valley	\$1,900,965.50
2.	Sequel Contractors, Inc., Santa Fe Springs	\$1,966,425.00
3.	Nobest, Inc., Garden Grove	\$2,184,000.00
4.	Palp, Inc., dba Excel Paving Company, Long Beach	\$2,215,360.00
5.	All American Asphalt, Corona	\$2,330,844.00
6.	Sully-Miller Contracting Company, Anaheim	\$2,563,410.00
7.	Vido Samarzich, Inc., Alta Loma	\$2,613,690.00
8.	Hardy & Harper, Inc., Santa Ana	\$2,655,945.00
	Engineer's Estimate	\$2,540,460.00

The lowest bid received was 25% lower than the Engineer's Estimate.

It is recommended that Kalban, Inc. be awarded a contract for this project as they are the lowest responsive and responsible bidder and that the other bids be rejected. The proposed contract with Kalban, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. The Contractor has indicated that the award of this contract will result in two new hires to his present workforce.

In order to take advantage of the exceptionally low bid and to accommodate a potential of increased quantity of concrete repair work, the contingency amount has been set at 21%.

The contract will be set as follows:

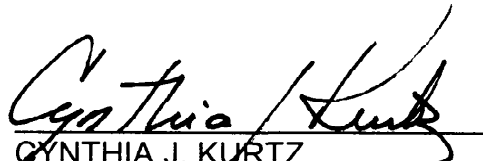
Base Bid	\$ 1,900,965.50
Contingency Allowance	\$ <u>399,034.50</u>
Contract "Not to Exceed" Amount	\$ 2,300,000.00

It is anticipated that construction will begin in March 2007 and be completed in August 2007.


### **FISCAL IMPACT**

Funds for this project are available in the Capital Improvement Program, Budget Account No. 73581, Pavement Rehabilitation – Areas of Avenue 64, Colorado Boulevard and La Loma Road.

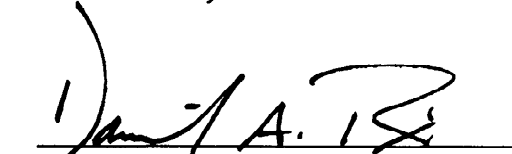
Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

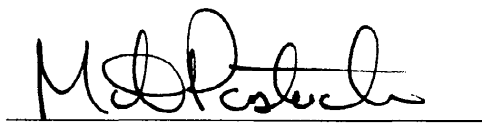
Prepared by:

  
Gil Weiss  
Principal Engineer

Reviewed by:

  
Daniel A. Rix  
City Engineer

Approved by:

  
Martin Pastucha, Director  
Department of Public Works

**Disclosure Pursuant to the  
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:**

KALBAN, INC.

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

<u>MIRON KALEBJIAN - PRESIDENT</u>
<u>JUDY KALEBJIAN - TREASURER</u>
<u>CONNIE LANE - SECRETARY</u>
<u>DAVE POOLE - VICE PRESIDENT</u>
<u>MIKE LIPSEY - VICE PRESIDENT</u>

**3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization: (MUST NOT BE LEFT BLANK, IF NONE, WRITE NONE)**

<u>NONE</u>

Prepared by: MIKE LIPSEY

Title: VICE PRESIDENT

Date: 2-8-07

For office use only:

Contract/Transaction No. \_\_\_\_\_

If not a contract, type of transaction: \_\_\_\_\_