

Agenda Report

November 3, 2014

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **CONTRACT AWARD TO INTERIOR DEMOLITION, INC. FOR BUILDING AND SITE DEMOLITION OF FORMER DESIDERIO ARMY RESERVE CENTER FOR AN AMOUNT NOT TO EXCEED \$502,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Acknowledge that on October 27, 2014 City Council adopted a resolution to certify the Final Environmental Impact Report for the Reuse of the Desiderio Army Reserve Center, Environmental Findings, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations, and find that there are no changes to the project, changed circumstances or new information that would warrant further environmental review; and
2. Accept the bid dated August 20, 2014, submitted by Interior Demolition, Inc. in response to the Specifications for Building and Site Demolition of Former Desiderio Army Reserve Center, and authorize the City Manager to enter into such contract for an amount not to exceed \$502,000.

BACKGROUND:

This project consists of the complete building, site and utility demolition of the former Desiderio Army Reserve Center (ARC) located at 655 Westminster Drive. The property is on approximately 5.17 acres of land with four permanent structures. The structures include a 22,152 square-foot two-story ARC building and assembly hall, a 3,798 square-foot single-story organizational maintenance shop, a 2,226 square-foot single-story storage building and a small concrete block hazardous material shed. Approximately 80 percent of the site is paved with asphalt and concrete, with the remaining ground surface being grass-covered lawn and meadow with trees.

The demolition of the former Desiderio ARC will clear the property for the project to re-use the site for a 3.87 acre city park (Desiderio Park) and several single-family detached bungalow homes to be developed by Habitat for Humanity.

Findings of compliance with the General Plan were previously made in the adopted FY 2015-2019 Capital Improvement Program. The project is consistent with one of the core principals of the Open Space, Recreation and Parks Element, which is Pasadena will be a City that actively creates new green spaces by promoting creative partnerships with local and regional agencies, as well as private institutions in order to provide access to and development of both traditional and non-traditional parks, cultural and recreational opportunities, and open spaces.

The Department of Public Works prepared plans and specifications for this project in accordance with Section 4.08.070 of the Pasadena Municipal Code, and bids have been received. The project was advertised on July 24, 2014. A Notice Inviting Bids was published in the *Pasadena Journal*, two trade publications, and on two websites.

A mandatory pre-bid meeting was held at the project site at 655 Westminster Drive on August 4, 2014. Twenty-nine people representing twenty-eight contractors attended the meeting. The Department of Public Works detailed the project scope of work, and contractors were allowed to walk through the buildings and site.

Bid packets were obtained by twenty-nine contractors, twelve of whom submitted bids for the project. All twelve of these contractors were represented at the mandatory pre-bid meeting.

Following advertising, bids were received on August 21, 2014, and are as follows:

Bidder	Amount (\$)
1. Interior Demolition, Inc., Montrose	\$418,352
2. Two Brothers Construction Corp., Buena Park	\$497,000
3. National Demolition Contractors, San Pedro	\$531,859
4. North Star Demolition and Remediation, LP, Brea	\$537,800
5. Morillo Construction, Inc., Pasadena	\$596,000
6. Unlimited Environmental, Inc., Signal Hill	\$611,000
7. Silverado Contractors, Inc., Upland	\$633,067
8. Moalej Builders, Inc., Sherman Oaks	\$640,000
9. Oceanstate Development, Inc., Alhambra	\$698,748
10. Sun Lite Demolition, Huntington Park	\$725,699
11. Mallcraft, Inc., Altadena	\$792,000
12. American Integrated Services, Inc., Wilmington	Non-Responsive
Engineer's Estimate	\$602,000

The lowest bid received was 30.5 percent lower than the Engineer's Estimate of \$602,000. The Engineer's Estimate was developed based on average bids received for

similar projects. The lower bids for this project are attributed to greater competition among contractors who perform this relatively specialized service.

Due to the favorable bid, a 20 percent contingency is recommended for this project to accommodate unforeseen items that may arise, such as additional abatement work and demolition of underground facilities not readily identifiable.

The Department of Public Works recommends that Interior Demolition, Inc. be awarded a contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Interior Demolition, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. The Contractor has indicated that the award of this contract will result in one new hire to his present workforce.

Interior Demolition, Inc. is not currently contracted to perform other work for the City of Pasadena.

The contract will be set up as follows:

Base Bid	\$ 418,352
Contingency Allowance	<u>\$ 83,648</u>
Contract "Not to Exceed" Amount	\$ 502,000

The Department of Public Works anticipates that work will begin in January 2015 and be completed in April 2015.

COUNCIL POLICY CONSIDERATION:

The project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure. This project also supports the City Council's goal to provide high quality neighborhood park space in west Pasadena, provide affordable ownership housing opportunities in the City of Pasadena; and implement the vision of the reuse plan that was adopted by the City Council and approved by the Department of Defense.

ENVIRONMENTAL ANALYSIS:

On October 27, 2017 City Council adopted a Resolution certifying the Final Environmental Impact Report for the Reuse of the Desiderio Army Reserve Center, Environmental Findings, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations. Further environmental review would only be warranted if there was a substantial change to the project that would require major revisions to the EIR, substantial changes to the circumstances under which the project will be undertaken, or new information of substantial importance which was not known or could not have been known at the time of EIR certification. None of those factors are relevant at this time, and therefore no further environmental review is required.

FISCAL IMPACT:

The cost of this contract is \$502,000 and the total cost of this action will be \$562,000. Funding for this action will be addressed by utilization of existing budgeted Residential Impact Fees in the Desiderio Park – Development of New Park CIP project (budget account 78054). It is anticipated that all costs will be spent during FY 2015.

The following table represents a contract summary:

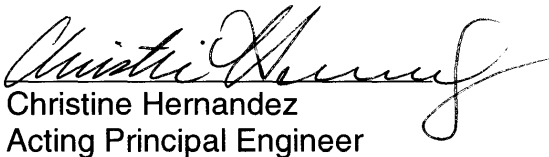
Base Bid	\$ 418,352
Contingency	\$ 83,648
Contract Administration/Inspection	\$ 60,000
Total Fiscal Impact	\$ 562,000

Respectfully submitted,



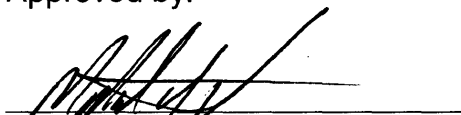
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