

Agenda Report

September 21, 2015

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PENHALL COMPANY TO PROVIDE SAW CUTTING OF CONCRETE AND ASPHALT PAVEMENT IN AN AMOUNT NOT TO EXCEED \$186,484 PER YEAR (SPECIFICATION WD-15-01)

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Existing Facilities); and
2. Accept the bid dated August 5, 2015, submitted by Penhall Company, in response to Specification WD-15-01, to provide saw cutting services for the Water and Power Department ("PWP"), and authorize the City Manager to enter into a contract with Penhall Company for an amount not to exceed \$186,484 per year for an initial period of one year with an option for three additional one-year terms of \$186,484 each.

BACKGROUND:

PWP regularly completes water distribution projects as identified in the adopted Capital Improvement Program ("CIP"), Water System Master Plan, Water Integrated Resources Plan, and other water operations-related work. Procuring the services of a single qualified contractor to provide concrete and asphalt saw cutting services will expedite the installation of water mains, service laterals, and emergency repairs to mains and other water facilities. The saw cutting service includes mobilization, labor, equipment, and removal of debris.

The Notice Inviting Bids for Specification WD-15-01 was advertised in the Pasadena Journal, and posted online through Planet Bids on July 8, 2015. Four responsive bids were received and opened on August 5, 2015.

The results of the bids were as follows:

<u>Bidders</u>	<u>Grand Total Price</u>
1. Penhall Company, Anaheim	\$186,484.00
2. National Demolition Contractors, San Pedro	\$274,714.00
3. CPO Enterprises Inc., Covina	\$368,600.00
4. VCI Utility Services, Inc., Upland	\$797,340.00
Engineer's Estimate	\$200,000.00

Penhall Company was the lowest responsive and responsible bidder and complied in all respects with the requirements of the Specification.

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 thereby meet the requirements of prevailing wage law under California Labor Code Section 1720 through 1861 and Title 8 of the California Code of Regulations.

Historically, PWP has spent \$85,000 per year saw cutting approximately 66,000 linear feet. The previous contract was a non-prevailing wage contract that charged \$4.60/linear foot for all cut depths. Penhall Company bid \$9.74/linear foot and the project was bid as a prevailing wage project.

Staff recommends that the City Council award a contract to Penhall Company in the amount of \$186,484. The proposed contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder.

The recommended contractor does not have any existing contracts with the City of Pasadena.

COUNCIL POLICY CONSIDERATION

The proposed contract supports PWP's Master Plan adopted by the City Council in 2002 to allow for the replacement of aging water distribution mains and establishment of reliable infrastructure for the City's water system.

ENVIRONMENTAL ANALYSIS:

The project is categorically exempt from CEQA review pursuant to State CEQA Guidelines Section 15301 (Existing Facilities). The exemption covers the repair, maintenance, or minor alteration of existing public or private facilities, involving negligible or no expansion of the use. Section 15301 (c) specifically identifies existing highways and streets, sidewalks, gutters, bicycle and pedestrian trail, and similar facilities.

FISCAL IMPACT:

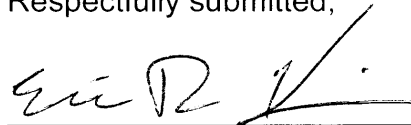
The cost of this action will be \$745,936 if the three additional one-year terms are exercised. It is anticipated that \$186,484 of the cost will be spent in the initial year of the contract. Funding for this action will be addressed by the utilization of existing budgeted appropriations in CIP #1001 – Distribution Mains, CIP #1019 – Fire Protection System Improvements, CIP #1002 – Meters and Services, and CIP #1003 – Customer Driven Work Request.

The following table presents the contract summary:

First-year contract amount	\$186,484
Optional three year extensions	\$559,452
Total amount of contract	\$745,936

The anticipated impact to other operational programs will be \$10,000 per year for internal contract administration and inspection as a result of this action.

Respectfully submitted,



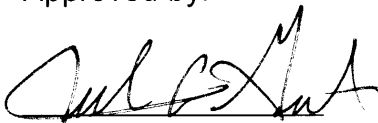
Eric R. Klinkner
Interim General Manager
Water and Power Department

Prepared by:



Natalie Z. Ouwersloot
Principal Engineer

Approved by:



for MICHAEL J. BECK
City Manager