

Agenda Report

December 5, 2016

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT AWARD TO VART CONSTRUCTION, INC. FOR DRAINAGE IMPROVEMENTS OF FLAT STREETS 2016 - 2017 FOR AN AMOUNT NOT TO EXCEED \$670,000

RECOMMENDATION:

It is recommended that the City Council:

1. Find the project proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that previously existing at the time of the lead agency's determination; and
2. Accept the bid dated November 23, 2016 submitted by Vart Construction, Inc. in response to specifications for Drainage Improvements of Flat Streets 2016-2017 and authorize the City Manager to enter into a contract not to exceed \$670,000 which includes the base contract amount of \$609,500 and a contingency of \$60,500 to provide for any necessary change orders.

BACKGROUND:

This project consists primarily of the removal and replacement of portions of damaged concrete curb, gutter, and driveway aprons as needed at various locations throughout the City, as well as repair of damaged sidewalk paid by property owners as required by building permits or property sales. A location map is included as Attachment A to this report.

A finding of compliance with the General Plan was previously made and is shown on page 2.9 of the FY 2017 – FY 2021 Capital Improvement Program – Drainage Improvements on Streets with Flat Grades FY 2016 - 2020.

The Department of Public Works prepared specifications for the project and in accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. The project was advertised in the *Pasadena Journal* on November 3, 2016. In addition, the Notice Inviting Bids was published in four trade publications and the City's website, which generated notices to 22 local vendors. Sixteen contractors obtained bid packets, five of which submitted bids for the project.

Following advertising, bids were received on November 23, 2016, and are as follows:

Bidder	Amount (\$)
1. Vart Construction, Inc., Glendale	\$609,500
2. CEM Construction, Downey	\$611,288
3. Leonida Builders, Glendora	\$694,750
4. Kalban Inc., Santa Clarita	\$808,900
5. E.C. Construction, South El Monte	\$1,143,733
Engineer's Estimate	\$640,000

The lowest bid received was 5 percent lower than the Engineer's Estimate of \$640,000. The Engineer's Estimate was in line with the average of the 3 lowest bidders.

It is recommended that Vart Construction, Inc. be awarded a contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Vart Construction, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014. The contractor has indicated that the award of this contract will result in two new hires to the present workforce. A Local Hiring Provision to notify the labor unions of the goal to employ qualified Pasadena residents for 75 percent of new labor work hours on the project was included in the project specifications.

Vart Construction, Inc. currently has one contract with the City and one purchase order and has had previous contracts with the City of Pasadena. Vart Construction, Inc. has completed contracts and purchase orders totaling approximately \$2,155,000 on various City projects since 2010.

The contract for this project will be set as follows:

Base Bid	\$609,500
Contingency Allowance	\$ 60,500
Contract "Not to Exceed" Amount	\$670,000

It is anticipated that construction will begin in February 2017 and be completed in May 2017.

COUNCIL POLICY CONSIDERATION:

The project is consistent with the City Council's goals to improve, maintain and enhance public facilities and infrastructure, and improve mobility and accessibility throughout the City. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The City's Environmental Administrator recommends that the City Council determine the proposed project to be exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that existing at the time of lead agency's determination.

FISCAL IMPACT:

The cost of this contract is \$670,000 and the total cost of this action will be \$740,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the below listed CIP projects. These project budget accounts have a total current balance of \$804,495 which is sufficient to cover these costs. It is anticipated that all of the funds will be spent during FY 2017.


The following table represents a summary of the sources of funds that will be used.

Drainage Improvement of Flat Streets (Budget Account 73910)	\$ 424,495
Pedestrian Accessibility (Budget Account 73909)	\$ 162,000
Preventive Maintenance Curb & Gutter (Budget Account 73921)	\$ 153,505
Total Sources	\$ 740,000

The following table represents a project summary.

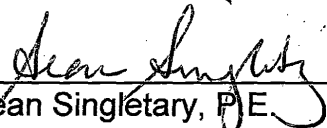
Base Bid	\$ 609,500
Contingency	\$ 60,500
Contract Administration	\$ 70,000
Total Fiscal Impact	\$ 740,000

Respectfully submitted,




ARA MALOYAN, P.E.
Director of Public Works

Prepared by:



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Principal Engineer

Approved by:



STEVE MERMELL
City Manager