

Agenda Report

December 12, 2016

TO: Honorable Mayor and City Council

FROM: Department of Public Works

**SUBJECT: CONTRACT AWARD TO VART CONSTRUCTION, INC. FOR CITYWIDE
SIDEWALK IMPROVEMENTS - 2017 FOR AN AMOUNT NOT TO
EXCEED \$664,000**

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 30, 2016 submitted by Vart Construction, Inc in response to specifications for Citywide Sidewalk Improvements – 2017 and authorize the City Manager to enter into a contract not to exceed \$664,000 which includes the base contract amount of \$587,485 and a contingency of \$76,515 to provide for any necessary change orders

BACKGROUND:

Section 12 04 of the Pasadena Municipal Code states that repair of damaged sidewalk is the adjacent property owner's responsibility. Currently, this ordinance is triggered when a building permit valued over \$20,000 is obtained or when a property sale requires an occupancy inspection. Property owners may hire a contractor to repair existing damage with a Public Works permit, or pay funds to the City to program the repair into one of the City's annual concrete repair contracts.

In April 2015, the Municipal Services Committee (MSC) approved a new "Citywide Sidewalk Improvement Program" to address the approximately 1.1 million square feet of damaged sidewalk throughout the City which is estimated to cost \$17 million to repair. At that meeting, staff was requested to create a new Capital Improvement Program (CIP) project, pursue funding and work with the Accessibility and Disability Commission to establish a sidewalk repair priority criteria.

The following priority criteria was established in partnership with the Accessibility and Disability Commission and presented to City Council during the adoption of the FY 2016 CIP

- High traffic volume streets
- Severe vertical rise of the sidewalk
- High pedestrian volume areas
- ADA verified complaints received

The contract proposes sidewalk repair at various locations throughout the City (see Attachment A) A finding of compliance with the General Plan was previously made and is shown on page 2 8 of the FY 2017 Capital Improvement Program, *Citywide Sidewalk Improvements*

The Department of Public Works prepared plans and 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 listed on the City's website, which generated notices to 21 local vendors Twenty-one contractors obtained bid packets, 11 of whom submitted bids for the project

Following advertising, bids were received on November 30, 2016, and are as follows

| Bidder | Amount (\$) |
|--|-------------|
| 1 Vart Construction, Inc , Glendale | \$587,485 |
| 2 CEM Construction, Downey | \$618,965 |
| 3 S & H Civilworks, Colton | \$621,540 |
| 4 FS Construction, Inc , Sylmar | \$658,860 |
| 5 Kalban Inc , Santa Clarita | \$688,014 |
| 6 Minco Construction, Gardena | \$726,705 |
| 7 Leonida Builders, Glendora | \$733,960 |
| 8 Toro Enterprises, Inc, Oxnard | \$856,540 |
| 9 EBS General Engineering, Corona | \$996,706 |
| 10 Coleman Construction, Inc , Los Angeles | \$1,257,418 |
| 11 E C Construction, South El monte | \$1,330,981 |
| Engineer's Estimate | \$612,000 |

The lowest bid received was four percent lower than the Engineer's Estimate of \$612,000 The Engineer's Estimate was in line with the average of the three lowest bidders

Due to the favorable bid results, the Department of Public Works is adding to the Contractor's scope of work additional damaged sidewalk repair locations that would have been addressed in the Citywide Sidewalk Improvements – 2018 project. Consequently, the contingency allowance, normally ten percent of bid amount, is 13 percent to allow the department to take advantage of low unit prices for various concrete repair items.

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 15, 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. Additionally, Vart Construction, Inc. is recommended to be awarded the Drainage Improvements of Flat Streets 2016-2017 project on December 12, 2016 for an amount not to exceed \$670,000. 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 | \$ 587,485 |
| Contingency Allowance | <u>\$ 76,515</u> |
| Contract "Not to Exceed" Amount | \$ 664,000 |

It is anticipated that construction will begin in February 2017 and be completed in August 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 \$664,000 and the total cost of this action will be \$734,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Citywide Sidewalk Improvements (Budget Account 73913) CIP project. It is anticipated that all of the cost will be spent in FY 2017 and FY 2018.

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

| | |
|---|-------------------|
| Citywide Sidewalk Improvements (Budget Account 73913) | \$ 734,000 |
| Total Sources | \$ 734,000 |

The following table represents a project summary:

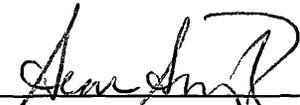
| | |
|----------------------------|-------------------|
| Base Bid | \$ 587,485 |
| Contingency | \$ 76,515 |
| Contract Administration | \$ 70,000 |
| Total Fiscal Impact | \$ 734,000 |

Respectfully submitted,



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STEVE MERMELL
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