

Agenda Report

March 26, 2018

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

**SUBJECT: CONTRACT AWARD TO CERCO, INC. FOR HAMILTON PARK
VARIOUS PROJECTS FOR AN AMOUNT NOT TO EXCEED \$295,000
AND AMENDMENT TO FISCAL YEAR 2018 CAPITAL IMPROVEMENT
PROGRAM BUDGET**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the project proposed herein is categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1, 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 that there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances;
2. Amend the Fiscal Year 2018 Capital Improvement Program Budget by appropriating \$31,000 in Residential Impact Fees to Hamilton Park Various Projects (78069); and
3. i) Accept the bid dated March 7, 2018, submitted by CERCO, Inc. dba CERCO Engineering in response to the Project Plans and Specifications for Hamilton Park Various Projects, ii) reject all other bids received July 14, 2017 and March 7, 2018, and iii) authorize the City Manager to enter into a contract not to exceed \$295,000, which includes the base contract amount of \$258,933 and a contingency of \$36,067 to provide for any necessary change orders.

BACKGROUND:

Hamilton Park is an approximately 6.4-acre community park located on top of a water reservoir. Amenities consist of a parking lot and recreational facilities that include

baseball diamonds, tennis courts, basketball courts, volleyball courts, and a multi-purpose playing field with a children's play area.

The project consists of providing a perimeter pathway around the turf area of the park, activity striping at the children's play area, parking lot area improvements, and replacement of the fence along the parking lot edge.

The Recreation and Parks Commission reviewed and unanimously supported the design for Hamilton Park Various Projects on November 1, 2016.

A finding of compliance with the General Plan was previously made and is shown in the FY 2018 Capital Improvement Program (CIP) on page 9.10 – Hamilton Park – Various Projects.

The Department of Public Works prepared the project plans and specifications. The project was initially advertised on June 22, 2017 and nine bids were received on July 14, 2017. All bids exceeded the Engineer's estimate and the available project balance, and therefore the City did not award the construction contract.

The Department of Public Works re-scoped the plans and specifications for this project. 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 February 8, 2018. In addition, the Notice Inviting Bids was published in four trade publications and listed on the City's website, which generated notices to 811 vendors. 82 vendors obtained bid packets, and ten prime contractors submitted bids for the project.

Following advertising, bids were received on March 7, 2018 and are as follows:

Bidder	Amount (\$)
1. CERCO, Inc. dba CERCO Engineering, Westlake Village	\$ 258,933
2. KASA Construction Inc. Sylmar	\$ 307,800
3. FS Construction Inc., Chino	\$ 325,250
4. YAKAR, Covina	\$ 326,790
5. Aramexx Group Inc., Claremont	\$ 335,703
6. NoHo Constructors, Studio City	\$ 342,900
7. iBuild Spectrum Inc., Covina	\$ 348,000
8. ARC Construction Inc., La Crescenta	\$ 385,764
9. Metrocell Construction, Ontario	\$ 399,980
10. EC Construction Co., South El Monte	\$ 436,189
Engineer's Estimate	\$ 338,877

It is recommended that CERCO, Inc. dba CERCO Engineering be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with CERCO, Inc. dba CERCO Engineering 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 six new hires to the present work force, and has committed to hiring two Pasadena residents for this position. A Local Hiring Provision to notify the labor unions of the goal to employ qualified Pasadena residents for 75 percent of the new labor work hours on the project was included in the project specifications.

CERCO Engineering is currently performing work for the Citywide Parks Accessibility Improvements project (78068) in the amount of \$324,628.

The contract will be set up as follows:

Base Bid	\$	258,933
Contingency	\$	36,067
Contract "Not to Exceed" Amount	\$	<u>295,000</u>

In coordination with scheduled recreation programs at the park, it is anticipated that construction will begin in July 2018, and the work will be completed in September 2018.

COUNCIL POLICY CONSIDERATION:

This project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure. It also supports the Public Facilities and Land Use Elements of the General Plan.

ENVIRONMENTAL ANALYSIS:

The City's Environmental Administrator recommends that the City Council determine the proposed project to be exempt from CEQA in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1. This exemption includes the minor alteration of existing public facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination, and there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual circumstances.

FISCAL IMPACT:

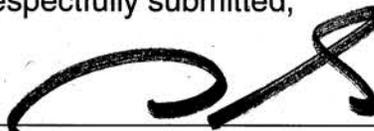
Staff recommends amending the FY 2018 Capital Improvement Program Budget by appropriating \$31,000 in Residential Impact Fees to *Hamilton Park Various Projects* (78069) and increasing the total estimate cost by a like amount. There is sufficient fund balance of \$2,677,967 as of December 31, 2017 in the Residential Impact Fee Fund (East) to support the proposed increase. The additional appropriation of funds is needed to complete the construction phase of the project.

The cost of this contract is \$295,000 and the total cost of this action will be \$365,000. Funding for this action will be addressed by the utilization of existing and recommended budgeted appropriations in the *Hamilton Park Various Projects* CIP project (budget account 78069). It is anticipated that all of the costs will be spent in FY 2019.

The following table represents a contract summary.

Base Bid	\$	258,933
Contingency	\$	36,067
Contract Administration/Inspection	\$	65,000
Total Fiscal Impact	\$	360,000

Respectfully submitted,



ARA MALOYAN, P.E.
Director of Public Works

Prepared by:



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Approved by:



STEVE MERMELL
City Manager