

# Agenda Report

May 9, 2022

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO DANNY C. HUBBS CONSTRUCTION, INC. FOR GUARDRAIL IMPROVEMENT PROGRAM – FEDERAL AID HIGHWAY SAFETY IMPROVEMENT PROGRAM LOCAL (HSIPL) - 5064(095) FOR AN AMOUNT NOT-TO-EXCEED \$364,315**

## **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 Section 15301 Existing Facilities and Section 15061(b)(3), the common sense exemption (formerly general rule), and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and
2. i) Accept the bid dated April 7, 2022, submitted by Danny C. Hubbs Construction, Inc. in response to the project plans and specifications for Guardrail Improvement Program – Federal Aid HSIPL, ii) reject all other bids, and iii) authorize the City Manager to enter into a contract for an amount not-to-exceed \$364,315, which includes the base contract amount of \$346,965 and a contingency of \$17,350 to provide for any necessary change orders.

## **BACKGROUND:**

This guardrail improvement contract provides for the repair and replacement of damaged guardrails at 11 locations in the City, as identified by the City's Department of Transportation and subsequently approved by Caltrans for funding. Proposed federal funding for this project is coming through the Highway Safety Improvement Program – Local (HSIPL). Three of the existing guardrails have been deemed substandard and will be replaced, while the remaining eight require repairs in order to meet the current Caltrans Guardrail Standard Plans.

A finding of compliance with the General Plan was previously made and is shown in the Fiscal Year (FY) 2022-2026 Capital Improvement Program (CIP) budget, under Guardrail Improvement Program.

GHD, Inc. along with Public Works staff prepared the project plans and specifications per Caltrans design standards. On March 3, 2022, a Notice Inviting Bids for the Guardrail Improvement Program was published in the local paper as well as posted on PlanetBids. The posting generated notices to all vendors previously registered with the City for this particular commodity class. A total of 20 vendors downloaded the contract documents, none of which were local. A total of three bids were received by the bid opening date, none from local vendors.

Following advertising, bids were received on April 11, 2022, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Danny C. Hubbs Construction, Inc., Yucaipa	\$346,965
2. Gentry General Engineering, Inc., Rancho Cucamonga	\$477,768
3. Ace Fence Company, La Puente	\$498,700
<b>Engineer's Estimate</b>	<b>\$300,000</b>

The lowest bid received is 15 percent over the Engineer's Estimate.

It is recommended that Danny C. Hubbs Construction, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Danny C. Hubbs 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 zero new hires to the present workforce. The project utilizes federal grant funding and is subject to bidders meeting the established Disadvantaged Business Enterprise (DBE) goal of 8 percent. The DBE goal submitted by Danny C. Hubbs construction, Inc. is 8.1 percent.

This is the first construction contract that Danny C. Hubbs Construction Inc. will be undertaking with the City. Staff has confirmed the contractor's license, their Department of Industrial Relations status is in good standing, and they received favorable reference checks from other agencies.

The contract for this project will be set as follows:

Base Bid	\$ 346,965
Contingency Allowance	\$ 17,350
Contract Not-to-Exceed Amount	\$ 364,315

A contingency of 5 percent is allocated to this contract given possible unforeseen conditions that may be encountered. It is anticipated that construction will begin in August 2022 and the work will be completed by December 2022. These proposed dates include the material lead time required for fabrication and delivery of items.

**COUNCIL POLICY CONSIDERATION:**

This 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.

**ENVIRONMENTAL ANALYSIS:**

The City's Environmental Administrator recommends that the City Council determine the proposed project to be categorically exempt under the CEQA Guidelines in accordance with Section 15301 *Existing Facilities*, and Section 15061(b)(3), *the common sense exemption (formerly general rule)*. The project qualifies for a Class 1 Existing Facilities categorical exemption from CEQA, as it consists of minor alteration of existing streets, with no expansion of use. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

On November 12, 2021, Caltrans determined that this project has no significant impacts on the environment as defined by National Environmental Protection Act (NEPA), and that there are no unusual circumstances as described in 23 CFR 771.117(b). Caltrans determined the project qualifies for a Categorical Exclusion under 23 CFR 771.117(c): activity (c) (3).

**FISCAL IMPACT:**

The total cost of this contract including contingency is \$364,315 and the total cost of this action is expected not to exceed \$377,000. Funding for this action will be addressed by the utilization of HSIPL funding budgeted under the *Guardrail Improvement Program* (73930) project. It is anticipated all costs will be expended in FY 2023.

The following table represents a project summary.

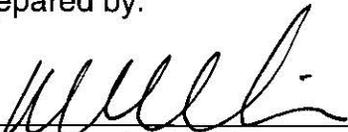
Base Bid	\$	346,965
Contingency	\$	17,350
Contract Administration/Inspection/Materials testing	\$	12,685
<b>Total Fiscal Impact</b>	<b>\$</b>	<b>377,000</b>

Respectfully submitted,



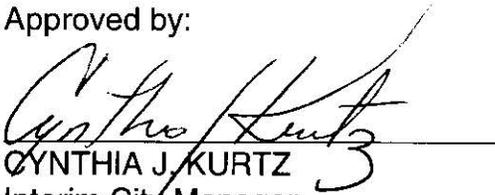
TONY OLMOS, P.E.  
Director of Public Works

Prepared by:



Kris Markarian, P.E.  
City Engineer

Approved by:



CYNTHIA J. KURTZ  
Interim City Manager