

# Agenda Report

October 3, 2022

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: PURCHASE ORDER CONTRACT AWARD TO SEAN KHAN CONSULTING COMPANY INC. DBA SKC COMPANY FOR LEASE OF A MODULAR TRAILER FOR FIRE STATION 38 RENOVATION AND SEISMIC RETROFIT PROJECT FOR AN AMOUNT NOT-TO-EXCEED \$182,803**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Title 14, Chapter 3, Article 5, Section 15061(b)(3), pertaining to activity covered by the common sense exemption, 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. Accept the bid dated September 1, 2022, submitted by Sean Khan Consulting Company Inc. dba SKC Company in response to the specifications for the Lease of One Modular Trailer for Fire Personnel as part of the Fire Station 38 Renovation and Seismic Retrofit project, reject all other bids, and authorize the City Manager to enter into a contract for an amount not-to-exceed \$182,803, which includes the base contract amount of \$166,185 and a contingency of \$16,618 to provide for any necessary change orders.

## **BACKGROUND:**

Constructed in 1958, Fire Station 38 is a one-story, approximately 3,800-square-foot building located at 1150 Linda Vista Avenue. The station is heavily used, undersized, and has reached the end of its functional purpose. Per the City's 2011 "Pasadena Fire Station Conditions Evaluation" report, this station was identified to be in need of rebuilding or renovations to resolve functional and operational deficiencies. A Tier 3 structural analysis also determined that the fire station did not meet the current objectives recommended for essential facilities and a structural retrofit would be required.

On June 13, 2022, City Council authorized the City Manager to enter into a construction contract for the renovation and seismic retrofit of Fire Station 38. To perform the renovation and retrofit work at Fire Station 38, Fire Department staff will need to be temporarily relocated from the station. In order to maintain uninterrupted service to the community, a modular trailer providing office and dormitory space for station personnel will be placed at the Fire Station 38 property.

The Department of Public Works prepared plans and specifications in coordination with Fire Department staff for the subject contract. In accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. On August 11, 2022, a Notice Inviting Bids was published in the local paper and posted on PlanetBids. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 11 vendors downloaded the specifications, of which none were local. A total of one bid was received by the bid opening date.

Following advertising, only one bid was electronically received on September 1, 2022 and is as follows:

Bidder	Amount (\$)
1. Sean Khan Consulting Company Inc. dba SKC Company, Chino Hills	\$166,185

<b>Engineer's Estimate</b>	<b>\$130,000</b>
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The sole responsible and responsive bid received is 27 percent higher than the Engineer's Estimate. The Engineer's Estimate was derived from recently awarded projects of similar scope. Due to current market inflation and the high demand for modular trailers, pricing has significantly increased in the past several months.

It is recommended that SKC Company be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with SKC Company 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.

SKC Company has not previously done work with the City of Pasadena. Staff has confirmed the contractor's license and its Department of Industrial Relations status is in good standing. The contractor received favorable reference checks from other agencies.

The contract will be set up as follows:

Base Bid	\$ 166,185
Contingency Allowance	<u>\$ 16,618</u>
Contract Not-to-Exceed Amount	\$ 182,803

A contingency of 10 percent is allocated to this contract given possible unforeseen conditions that may be encountered.

It is anticipated that the lease will begin in January 2023 just before the start of construction at the station and end in September 2023 following construction completion and move-in of staff back into the station.

**COUNCIL POLICY CONSIDERATION:**

The proposed contract furthers the City Council's strategic planning goal to ensure public safety.

**ENVIRONMENTAL ANALYSIS:**

This contract award has been determined to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Article 5, Section 15061(b)(3). Section 15061(b)(3) exempts any activity covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

**FISCAL IMPACT:**

The total cost of this contract including contingency is \$182,803. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Fire Stations Renovations and Improvements* (71911) Capital Improvement Program project. It is anticipated all costs will be expended in Fiscal Year (FY) 2023 and FY 2024.

The following table represents a project summary.

Base Bid	\$	166,185
Contingency	\$	16,618
<b>Total Fiscal Impact</b>	<b>\$</b>	<b>182,803</b>

Respectfully submitted,



TONY OLMOS, P.E.

Director of Public Works

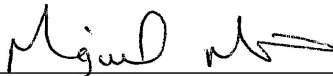
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Approved by:



MIGUEL MÁRQUEZ

City Manager