

Agenda Report

July 10, 2023

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT AWARD TO MLC CONSTRUCTORS, INC. FOR A PREFABRICATED STORAGE BUILDING AT FIRE STATION 33 FOR AN AMOUNT NOT-TO-EXCEED \$498,190

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 19, Section 15311, Class 11 – Accessory Structures, 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 April 20, 2023 submitted by MLC Constructors, Inc. in response to the plans and specifications for the Fire Station 33 Prefabricated Storage Building project, reject all other bids, and authorize the City Manager to enter into a contract for an amount not-to-exceed \$498,190, which includes the base contract amount of \$452,900 and a contingency of \$45,290 to provide for any necessary change orders.

BACKGROUND:

In March 2019, Matrix Environmental, Inc. was contracted under an emergency purchase order to demolish the previous storage facility at Fire Station 33, located at 515 North Lake Avenue, due to severe structural damage that resulted in the building being red-tagged by City's Building and Safety Division. As such, the Fire Department is in need for a replacement storage facility to house apparatus and equipment for their operations.

With the assistance of an on-call architectural services consultant, the Department of Public Works prepared conceptual plans and performance specifications in coordination with Fire Department staff for the subject contract. Per the provisions of Pasadena Municipal Code Section 17.61.030, the Department of Public Works submitted applications for design review to the Department of Planning and Community

Development, Design and Historic Preservation Section. Staff completed Preliminary Consultation on March 9, 2021 and Consolidated Design Review on September 23, 2021. The Notice of Decision indicated that the design of the project, with the implementation of the conditions of approval, was consistent with the purposes of design review, the design related goals and policies of the General Plan Land Use Element, and the Design Guidelines of the applicable Specific Plan and District.

The scope of work for this contract includes developing plans and calculations for a prefabricated metal storage building per the performance specifications provided; obtaining Building and Safety plan check approval and required City permits; fabrication, delivery and installation of the approved building atop a new foundation; minor underground electrical work; and installation of drainage and concrete curbs.

Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On March 30, 2023, a Notice Inviting Bids for Fire Station 33 – Prefabricated Storage Building project was published in the local paper as well as posted on OpenGov Procurement. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 34 vendors downloaded the specifications, of which zero were local. Three bids were received by the bid opening date, none from local vendors.

Following advertising, bids were electronically received on April 20, 2023, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. MLC Constructors, Inc., Corona	\$ 452,900
2. Ian Thomas Group, North Hollywood	\$ 805,000
3. At Your Service Construction & Energy, Inc., Tarzana	Non-responsive
Engineer's Estimate	\$ 330,000

The lowest responsible and responsive bid received is 37 percent higher than the Engineer's Estimate at time of project creation. The increased costs are attributed to substantially higher material costs and longer lead times for fabrication due to the recent pandemic.

At Your Service Construction & Energy, Inc. was deemed non-responsive due to their lack of experience with similar projects in both scope and size. Due to the large difference between the second and third bidder's cost proposals, staff verified that Ian Thomas Group's proposal did not contain any errors and was intended to be this high.

It is recommended that MLC Constructors, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with MLC Constructors, 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 awarding of this contract will result in no

new hires to the present workforce. In accordance with the Local Preference provisions of the contract, the contractor is encouraged to recruit Pasadena residents initially and to give them preference, if all other factors are equal, for any new positions generated from this contract.

MLC Constructors, Inc. has not previously performed work with the City of Pasadena. Staff has confirmed the contractor's license and their Department of Industrial Relations status is in good standing. They also received favorable reference checks from other agencies.

The contract for this project will be set up as follows:

Base Bid	\$ 452,900
Contingency Allowance	\$ <u>45,290</u>
Contract Not-to-Exceed Amount	\$ 498,190

A contingency of 10 percent is allocated to this contract given possible unforeseen conditions that may be encountered. It is anticipated that construction will begin in Spring 2024 and be completed in Summer 2024. The proposed schedule includes preparation of construction plans, plan check and permit acquisitions, material procurement lead time, fabrication and delivery of items.

COUNCIL POLICY CONSIDERATION:

This contract is consistent with the City Council's goal to improve, maintain, and enhance public facilities for civic governance and administration, public safety (police and fire), and comparable activities.

ENVIRONMENTAL ANALYSIS:

The contract award has been determined to be categorically exempt under the CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15311, Class 11, construction or placement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities. 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 construction contract including contingency is \$498,190 and the total cost of this action is not expected to exceed \$548,190. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Fire Stations Renovations and Improvements* (71911) CIP project. It is anticipated all costs will be expended in FY 2024.

There is no General Fund impact.

The following table represents a project summary.

Base Bid	\$	452,900
Contingency	\$	45,290
Contract Administration/Inspection	\$	50,000
Total Fiscal Impact	\$	548,190

Respectfully submitted,



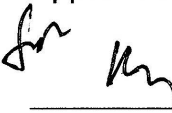
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