

Agenda Report

June 12, 2023

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: AUTHORIZE PURCHASE ORDER CONTRACTS WITH SHADE STRUCTURES, INC. (DBA USA SHADE & FABRIC STRUCTURES) FOR PLAYGROUND SHADE STRUCTURES AT CENTRAL PARK PLAYGROUND FOR AN AMOUNT NOT-TO-EXCEED \$363,372, AND NO FAULT, LLC (DBA NO FAULT SAFETY SURFACING) FOR PLAYGROUND SURFACING AT CENTRAL PARK PLAYGROUND FOR AN AMOUNT NOT-TO-EXCEED \$226,502

RECOMMENDATION:

It is recommended that the City Council:

1. Find the contracts proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Title 14, Chapter 3, Article 19, Section 15301, Class 1 – Existing Facilities, and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances;
2. Authorize the issuance of a purchase order contract to Shade Structures Inc. dba USA Shade & Fabric Structures for the engineering, procurement, and installation of playground shade structures at Central Park Playground for an amount not-to-exceed \$363,372, which includes the base contract amount of \$315,975 and a contingency of \$47,397 to provide for any necessary change orders;
3. Authorize the issuance of a purchase order contract to No Fault, LLC dba No Fault Safety Surfacing for the procurement and installation of playground surfacing at Central Park Playground for an amount not-to-exceed \$226,502, which includes the base contract amount of \$196,958 and a contingency of \$29,544 to provide for any necessary change orders;
4. Find neither Competitive Bidding nor Competitive Selection are required pursuant to City Charter Section 1002(H) and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental entities; and

5. Amend the Fiscal Year 2023 Capital Improvement Program Budget by appropriating \$130,000 in Residential Impact Fee to the Central Park Improvements (78461) project.

BACKGROUND:

The *Central Park Improvements* (78461) CIP project was created and initially funded in FY 1991. Since its inception, several subprojects have been completed including walkway replacements (FY 2005), installation of park walkway lighting (FY 2008), renovation and enlargement of children's play area (FY 2014), replacement of the restroom building (FY 2017), and tenant improvements to the El Centro de Accion building (FY 2018).

In FY 2020, the CIP project description was amended to include the installation of shade structures and additional lighting at the children's playground area. In FY 2022, the project description was amended to include the installation of rubberized playground surfacing. The scope of these two contracts will provide for these improvements.

Playground shade structures have several benefits including providing sun protection for users; creating cooler temperatures for the playground and equipment resulting in safer and longer periods of active use; and reducing wear and tear on equipment caused by constant sun exposure. Rubberized play surfaces provide several benefits including fall attenuation and slip-resistance; increased accessibility to playground equipment; and durability.

Sourcewell is a public government agency created specifically by the Minnesota legislature as a local unit of government (under Minnesota Constitution, Article XII, Section 3). Sourcewell operates as a service cooperative and acts as a national municipal contracting agency which establishes and provides nationally leveraged and competitively solicited purchasing contracts that can be utilized by member agencies such as the City of Pasadena. In November 2020, Sourcewell issued a Request for Proposals for Playground and Water Play Equipment with Related Accessories and Services. Twenty-five submissions were received and evaluated by the Sourcewell selection committee. Submissions were scored on a weighted scale of eight different criteria, with pricing being the most heavily weighted. The process undergone by Sourcewell has resulted in competitive pricing. PlayPower, Inc., the parent company to both Shade Structures Inc. and No Fault, LLC, earned the highest score out of the twenty-five respondents with 872 points out of a possible 1,000 and was awarded a contract through February 17, 2025.

As part of PlayPower, Inc.'s proposal to Sourcewell, pricing was submitted for products and services provided by both Shade Structures, Inc. and No Fault, LLC. Since PlayPower, Inc. received the highest score for their proposal, individual product-specific pricing contracts were agreed upon with both Shade Structures, Inc. and No Fault, LLC. As instructed by PlayPower, Inc., Sourcewell member agencies are to obtain proposals and contract directly with their subsidiaries under the product-specific Sourcewell contracts.

Playground Shade Structures:

Shade Structures Inc. has agreed to extend the contract prices, terms, and conditions under Sourcewell Contract #010521-LTS-6 to the City for the proposed design, engineering, purchase, and installation of shade structures at Central Park Playground. Shade Structures Inc's proposal is 4% less than the Engineer's Estimate for the scope of work included in this contract award.

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.

Shade Structures, Inc. has previously performed work for the City as a subcontractor to install shade structures at Playhouse Village Park and Robinson Park. Staff has confirmed the contractor's license and their Department of Industrial Relations status is in good standing.

The purchase order contract for Shade Structures Inc. will be set up as follows:

Proposal	\$ 315,975
Contingency	<u>\$ 47,397</u>
Contract Not-to-Exceed Amount	\$ 363,372

A contingency of 15 percent is allocated to this contract given possible unforeseen conditions that may be encountered. It is anticipated that construction will begin in September 2023 and be completed by November 2023. The proposed dates include the material lead time required for manufacturing and delivery of items.

Playground Surfacing:

No Fault, LLC has agreed to extend the contract prices, terms, and conditions under Sourcewell Contract #010521-LTS-1 to the City for the proposed purchase and installation of a rubberized play surface system at Central Park Playground. No Fault, LLC's proposal is 5% less than the Engineer's Estimate of \$207,000 for the scope of work included in this contract award.

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.

No Fault, LLC has not previously performed work for the City, however their product has utilized at other City parks, including Villa and Lamanda parks. Staff has confirmed the

contractor's license and their Department of Industrial Relations status is in good standing. The contractor received favorable reference checks from other agencies.

The purchase order contract for No Fault, LLC will be set up as follows:

Proposal	\$ 196,958
Contingency	<u>\$ 29,544</u>
Contract Not-to-Exceed Amount	\$ 226,502

A contingency of 15 percent is allocated to this contract given possible unforeseen conditions that may be encountered. It is anticipated that construction will begin in November 2023, immediately following the installation of the playground shade structures and be completed in December 2023. The proposed dates include the material lead time required for manufacturing and delivery of items.

COUNCIL POLICY CONSIDERATION:

This proposed purchase is consistent with the City Council's goal to improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL IMPACT:

The contract award has been determined to be categorically exempt under the 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. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

Since these proposed improvements were initially conceived and budgeted in FY 2020 and FY2022, costs for both labor and materials have increased considerably due to higher than anticipated inflation over the past two years. As such, the original construction budget has been exceeded by 25%.

Therefore, staff recommends amending the FY 2023 Capital Improvement Program Budget and appropriating \$130,000 in Residential Impact Fee to the *Central Park Improvements* (78461) CIP project and increasing the total estimated project cost by a like amount. There is sufficient fund balance in Residential Impact Fee to support the proposed increase.

The total cost of the two purchase order contracts including contingency is \$589,874 and the total cost of this action is not expected to exceed \$619,874. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Central Park Improvements* (78461) CIP project. There is no impact to the General Fund, as this project is fully funded by Residential Impact Fees. It is anticipated all costs will be expended in FY 2024.

The following table represents a project summary.

Purchase Order Contracts	\$ 512,933
Contingency	\$ 76,941
Contract Administration/Inspection	\$ 30,000
Total Fiscal Impact	\$ 619,874

Respectfully submitted,



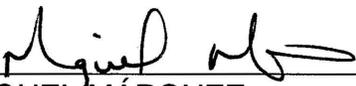
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