

RESOLUTION NO. 2015-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS; AWARDING THE CONTRACT FOR THE “OXFORD STREET SEWER IMPROVEMENT, BETWEEN BROADWAY TO WEST END OF CUL-DE-SAC, IN THE CITY OF CHULA VISTA, CALIFORNIA (CIP#SW266)” PROJECT TO PAL GENERAL ENGINEERING INC. IN THE AMOUNT OF \$488,675; WAIVING CITY COUNCIL POLICY NO. 574-01; AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO EXECUTE ALL CHANGE ORDERS; AND AUTHORIZING THE EXPENDITURE OF ALL AVAILABLE CONTIGENCY FUNDS IN AN AMOUNT NOT TO EXCEED \$73,300

WHEREAS, On March 3, 2015, the Director of Public Works received seven (7) sealed bids for the “Oxford Street Sewer Improvement, between Broadway to West End of Cul-de-sac, in the City of Chula Vista, California (CIP#SW266)”. The project scope consists of the removal and replacement of existing sewer pipe and manholes, pavement overlay, and other miscellaneous work to complete the project; and

WHEREAS, The Development Services Director has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 1(b) categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines. Thus, no further environmental review is necessary; and

WHEREAS, on March 3, 2015, the Director of Public Works received seven (7) seal bids. The following bids were received:

CONTRACTOR	BID AMOUNT
1. PAL Engineering Inc. – San Diego, CA	\$488,675.00
2. Portillo Concrete, Inc. – Lemon Grove, CA	\$494,905.00
3. Southland Paving, Inc. – Escondido, CA	\$537,585.50
4. GRFO, Inc. – Brea, CA	\$549,150.00
5. Blue Pacific Engineering and Construction– San Diego, CA	\$569,235.00
6. Burtech Pipeline, Inc.-Encinitas, CA	\$614,300.00
7. Wier Construction Corp.-Escondido, CA	\$673,850.00

WHEREAS, The low bid submitted by PAL Engineering Inc. is below the Engineer’s estimate of \$520,000 by \$31,325 (approximately 6%); and

WHEREAS, PAL Engineering Inc. is currently an active Licensed Class A - General Engineering Contractor (License No. 916931) and has performed similar work

in the City with satisfactory performance; and

WHEREAS, Pal Engineering Inc. is a Chula Vista registered Contractor, and all companies associated with this contract are registered as a public works contractors with the California Department of Industrial Relations (DIR); and

WHEREAS, in order to approve change orders as necessary to complete the project without delay, staff requests that City Council waive Council Policy No. 574-01 and increase the Director of Public Works' change order authority to \$73,300 and authorize the expenditure of all available contingency funds in an amount not to exceed \$73,300; and

WHEREAS, sufficient TransNet and Trunk Sewer Capital Reserve Funds are available in the project account for construction costs; and

WHEREAS, a breakdown of construction costs is as follows:

FUNDS REQUIRED FOR CONSTRUCTION CONTRACT	
A. Base Contract Amount	\$488,675
B. Contract Contingencies (Approximately 15% of contract)	\$73,300
C. Construction Inspection Staff Costs	\$50,000
D. Design/Survey/Monument Preservation	\$50,000
TOTAL FUNDS REQUIRED FOR CONSTRUCTION CONTRACT	\$661,975

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby accept bids and award a Public Works contract to Pal Engineering Inc. in the amount of \$488,675; and

BE IT FURTHER RESOLVED, that the City Council of the City of Chula Vista does hereby waive Council Policy 574-01 and authorize the Director of Public Works to approve change orders, as necessary, and expend all available contingency funds in an amount not to exceed \$73,300.

Presented by

Approved as to form by

Richard A. Hopkins
Director of Public Works

Glen R. Googins
City Attorney