



# CITY COUNCIL AGENDA STATEMENT



July 17, 2018

File ID: 18-0137

## **TITLE**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, AWARDING THE CONTRACT FOR THE "CMP REHABILITATION OUTSIDE RIGHT-OF-WAY FY2017/2018 - MEASURE P (DRN0211)" PROJECT TO SPINIELLO COMPANIES IN THE AMOUNT OF \$4,169,940

## **RECOMMENDED ACTION**

Council adopts the resolutions.

## **SUMMARY**

On May 30, 2018, the Director of the Department of Engineering & Capital Projects received two (2) sealed bids for the "CMP Rehabilitation Outside Right-of-Way FY 2017/2018 - Measure P (DRN0211)" project. The project will rehabilitate portions of the City's storm drain system outside the public street right-of-way and includes the lining of existing corrugated metal pipes (CMP) at various locations throughout the City of Chula Vista. The proposed Resolution, if approved, would accept bids, award the contract for this project to the lowest responsive bidder, Spiniello Companies in the amount of \$4,169,940; and authorize the expenditure of all available contingency funds in an amount not to exceed \$848,310.

## **ENVIRONMENTAL REVIEW**

The Director of Development Services has reviewed the proposed project for compliance with CEQA and has determined that the project qualifies for Class 1 Categorical Exemptions pursuant to Section 15301, Class 1 [b] (Existing Facilities) of the CEQA State Guidelines. Consistent with Section 15301(b), the proposed actions would not result in a significant effect on the environment, create a cumulative impact, damage a scenic highway, be located on site pursuant to Section 65962.5, or cause a substantial adverse change in the significance of a historical resource. The project involves no expansion of an existing use. Thus, no further environmental review is necessary.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not Applicable.

## **DISCUSSION**

Based on the result of inspections performed with a closed-circuit television (CCTV) camera, a number of CMPs conveying storm water runoff have been identified requiring rehabilitation. These pipes are

deteriorated and need to be relined to contain and convey storm water runoff and prevent structural failure of the pipes.

The Contractor will be allowed to perform work at night to reduce traffic congestions within business areas of the City. Night work within residential neighborhoods will not be allowed.

On April 6, 2018, the Department of Engineering & Capital Projects advertised the annual “CMP Rehabilitation Outside Right-of-Way FY 17/18 – Measure P (DRN0211)” project. The bids from the two (2) contractors were as follows:

NO.	CONTRACTOR	BID
1	Spiniello Companies – Pomona, CA	\$4,169,940.00
2	Downstream Services – Escondido, CA	\$6,289,056.94

The low bid submitted by Spiniello Companies is more than the Engineer’s estimate of \$4,058,353.20 by \$111,586.80, or approximately 3%. Staff reviewed the low bid and determined that the bid package is complete, with no errors or omissions.

On May 9, 2017, City Council approved Resolution 17-0174 to adopt ordinance (Ord. 3400 § 1, 2017) of the City of Chula Vista and amend Chapter 2.56 of the Chula Vista Municipal Code – “Purchasing System”. This ordinance amends the change order limits and authorizes the City Engineer to approve change orders up to the remaining CIP budget available for the CIP project. Authorizing the Director of Engineering and Capital Projects/City Engineer to approve change orders will allow the project to continue without delay should unforeseen circumstances arise resulting in increased project costs during the course of construction, as well as make adjustments to bid item quantities. Unforeseen conditions include such items as utility conflicts, hazardous materials, unexpected underground conflicts, unexpected pavement conditions etc.

Staff recommends accepting the bids and awarding the contract to Spiniello Companies in the amount of \$4,169,940. Spiniello Companies is a licensed General Engineering Contractor (License No. 751598). Their license status is current and active per the State of California Department of Consumer Affairs Contractor State License Board.

Disclosure Statement

Attachment 1 is a copy of the Contractor’s Disclosure Statement.

Wage Statement

The Contractor that is awarded the contract and its subcontractors are required to pay prevailing wages to persons employed by them for work under this contract. The prevailing wage scales are those determined by the Director of Industrial Relations, State of California.

**DECISION-MAKER CONFLICT**

Not Applicable

Staff has reviewed the decision contemplated by this action and has determined that the decision concerns repairs, replacement or maintenance of existing streets, water, sewer, storm drainage or similar facilities, per California Code of Regulations Title 2, section 18702.2(c)(1), and consequently the 500-foot rule found in California Code of Regulations Title 2, section 18702.2(a)(11) is not applicable to this decision for purposes of determining a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

**LINK TO STRATEGIC GOALS**

The City’s Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The “CMP Rehabilitation Outside Right-of-Way FY 2017/2018 – Measure P (DRN0211)” project supports the “Strong & Secure Neighborhoods” goal as it will ensure the successful conveyance of storm water runoff into and through the City’s storm drain system, to designated outlet points. Proper management of storm water runoff protects private and public properties from flood damage, thus preserving the quality of life for residents and creating an appealing community for the residents to live, work, and play.

**CURRENT-YEAR FISCAL IMPACT**

Sufficient Measure P funds are available in DRN0211 to complete the project. Therefore, there is no additional impact to the Measure P Fund. The following table summarizes the project construction costs.

<b>FUNDS REQUIRED FOR CONSTRUCTION</b>	
A. Contract Amount	\$4,169,940
B. Contract Contingency (20%)	\$848,310
C. Construction Inspection Staff Time	\$150,000
D. Design & Survey Support	\$87,553
<b>TOTAL FUNDS REQUIRED FOR CONSTRUCTION</b>	<b>\$5,255,803</b>

**ONGOING FISCAL IMPACT**

Upon completion of the project, the improvements will require routine maintenance.

**ATTACHMENTS**

Attachment 1 – Contractor’s Disclosure Statement

*Staff Contact: Michael Benozza, Assistant Engineer*