



CITY COUNCIL AGENDA STATEMENT



October 15, 2019

File ID: 19-0430

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, AWARDING THE CONTRACT FOR THE "PARKSIDE SEWAGE PUMP STATION UPGRADE (SWR0293)" PROJECT TO BLUE PACIFIC ENGINEERING & CONSTRUCTION IN THE AMOUNT OF \$1,350,270; AND APPROPRIATING \$170,000 FROM THE AVAILABLE BALANCE OF THE SEWER FACILITY REPLACEMENT FUND TO CIP SWR0293 (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On August 21, 2019, the Director of Engineering and Capital Projects received five (5) sealed bids for the "Parkside Sewage Pump Station Upgrade (SWR0293)" project. The project is included in the Capital Improvement Program for Fiscal Year 2018/2019. The proposed resolution, if approved, would 1) accept bids; 2) award the contract for this project to Blue Pacific Engineering & Construction (Blue Pacific) in the amount of \$1,350,270; and 3) appropriate \$170,000 from the Sewer Facility Replacement Fund to CIP SWR0293.

ENVIRONMENTAL REVIEW

The City's 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 Categorical Exemption pursuant to State CEQA Guidelines Section 15301 Class 1 (Existing Facilities), Section 15302 Class 2 (Replacement or Reconstruction), and Section 15303 class 3 (New Construction or Conversion of Small Structures) because the proposed project would not result in a significant effect on the environment, create a cumulative impact, damage a scenic highway, be located on a site pursuant to Section 65962.5, or cause a substantial adverse change in the significance of a historical resource. Thus, no further environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

CIP SWR0293 scope of work includes the replacement of an existing sewage pump station in Parkside Drive. The project also includes the installation of a new wet well, emergency storage vault, new pumps, new generator, and parallel force main in Parkside Drive.

Bidding Process

On July 26, 2019, Engineering and Capital Projects Staff advertised the project and received five (5) sealed bids on August 21, 2019. The base bid totals from the prime contractors were as follows:

<u>Ranking</u>	<u>Contractor</u>	<u>Bid Amount</u>
1	Blue Pacific Engineering & Construction (San Diego)	\$1,350,270
2	TC Construction Co., Inc. (Santee, CA)	\$1,366,666
3	Cass Construction, Inc. (El Cajon, CA)	\$1,394,024
4	Aherns Mechanical (San Diego, CA)	\$1,438,177
5	Piperin Corporation (Escondido, CA)	\$1,558,456

During Staff's review of the bid proposals received, a minor computational error was discovered that resulted in an administrative adjustment in accordance with the bid specifications to Blue Pacific's original bid amount. The administrative adjustment to the bid amount did not change the lowest responsive bidder for the project. The original and adjusted bid amounts are as follows:

BLUE PACIFIC ENGINEERING & CONSTRUCTION	BID AMOUNT
Original	\$1,345,770
Adjusted	\$1,350,270

Blue Pacific has acknowledged the minor computational error in their bid proposal and indicated that they will honor the adjusted bid amount (Attachment 1).

The adjusted apparent low bid by Blue Pacific of \$1,350,270 is \$116,594 (approximately 9%) above the Engineer's estimate of \$1,233,676. Blue Pacific is currently an active licensed Class "A", General Engineering Contractor (License No. 824455) and has performed similar work in the City with satisfactory performance. All listed sub-contractor's licenses are also current and active.

On August 27, 2019, the City received a formal bid protest (Attachment 2) from the second apparent low bidder, TC Construction Co. Inc. (TC). The basis of protest stems from Blue Pacific's bid proposal irregularities completing the List of Contractors form.

On August 29, 2019, the City informed Blue Pacific of the protest and offered them the opportunity to respond. On September 3, 2019, the City received Blue Pacific's response. Blue Pacific has reaffirmed both Blue Pacific and subcontractors have licenses to complete the work.

After receipt of TC's bid protest and Blue Pacific's response, the City Attorney's Office conducted a review of Blue Pacific's bid proposal and concluded Blue Pacific's bid was non-responsive, in part, due to deviations

from the bid specifications and requirements. However, the City Attorney’s Office also concluded that the deviations were immaterial and subject to waiver by the City. As such, Staff informed TC and Blue Pacific (Attachment 3) that it intended to waive the bid irregularities and award the contract to the apparent low bidder.

Based on the above, Staff recommends that the City Council approve the award of project contract to the apparent low bidder, Blue Pacific.

Disclosure Statement

Attachment 4 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

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not represent a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov’t Code §87100, et seq.).

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

CURRENT-YEAR FISCAL IMPACT

Approval of this resolution will appropriate \$170,000 from the Sewer Facility Replacement Fund and initiate the construction phase of SWR0293. Sufficient funds are available for said appropriation; therefore, there is no additional impact to Sewer Facility Replacement Fund.

<u>Funds Required for Construction</u>	
A. Contract Amount	\$1,350,270
B. Contract Contingency	\$203,000
C. Design Staff Cost	\$10,000
D. Construction Inspection Staff Cost	\$195,511
E. Survey Staff	\$20,000
<u>Total Funds Required for Construction</u>	\$1,780,781

<u>Available Funding</u>	
A. Project Budget (SWR0293)	\$1,610,781
B. Appropriate Funds (Sewer Facility Replacement)	\$170,000
<u>Total Funds Available for Construction</u>	\$1,780,781

ONGOING FISCAL IMPACT

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

ATTACHMENTS

1. Letter of Acknowledgement
2. Bid Protest Letter
3. Response to Bid Protest Letter
4. Disclosure Statement

Staff Contact: Luis Pelayo