

RESOLUTION NO. 2016-\_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, WAIVING MINOR IRREGULARITIES, AND AWARDING THE CONTRACT FOR THE COMBINED ADVERTISEMENT OF THE “BIKE LANE ALONG EAST “H” STREET [STM-382]” AND “OTAY RANCH PRESERVE ACCESS CONTROL [GG-223]” PROJECTS TO PAL GENERAL ENGINEERING, INC. IN THE AMOUNT OF \$2,326,865.42; WAIVING CITY COUNCIL POLICY 574-01 AND AUTHORIZING THE EXPENDITURE OF ALL AVAILABLE CONTINGENCY FUNDS NOT TO EXCEED \$290,266; AND APPROPRIATING \$144,435 FROM THE AVAILABLE BALANCE OF THE TRANSPORTATION DEVELOPMENT IMPACT FEE (TDIF) FUND TO STM-382 (4/5 VOTE REQUIRED)

WHEREAS, City staff prepared plans and specifications for the “Bike Lane along East H Street [STM-382]” and “Otay Ranch Preserve Access Control [GG-223]” projects and advertised the projects together on April 22, 2016; and

WHEREAS, on May 11, 2016, the Director of Public Works Engineering received four (4) sealed bids for the “Bike Lane along East H Street [STM-382]” and “Otay Ranch Preserve Access Control [GG-223]” projects as follows:

	<b>CONTRACTOR</b>	<b>SUBMITTAL RESULT</b>	<b>BID TOTAL SUBMITTED</b>
1	PAL General Engineering, Inc. – San Diego, CA	All requirements met but with minor mathematical errors	\$2,326,869*
2	LB Civil Construction, Inc. – San Diego, CA	All requirements met	\$2,362,456.35
3	Palm Engineering Construction Co., Inc. – San Diego, CA	All requirements met but with minor mathematical errors	\$2,585,590.83*
4	Weir Construction Corp. – Escondido, CA	Requirements met except bid prices not written in words and minor mathematical errors	\$2,959,927.50*

*\*The submitted bid proposal contained mathematical errors. Corrections of bid totals did not change the outcome and ranking of the bids.*

WHEREAS, Staff reviewed the bid documents of the apparent low bid submitted by PAL General Engineering, Inc. and found minor errors, in that the written unit prices differed from the figures and some multiplication errors of the unit prices and the number of units were present; and

WHEREAS, the bid documents specifically anticipate such situations and indicate that if a discrepancy between written numbers and figures exist, the written is used; and

WHEREAS, the multiplication errors are considered minor; and

WHEREAS, the minor errors in the apparent low bidder's bid did not change the ranking order; and

WHEREAS, the low bid submitted by PAL General Engineering, Inc. in the amount of \$2,326,865.42 with corrected minor mathematical errors is above the Engineer's estimate of \$2,050,000.00 by \$276,865.42 (or approximately 13.5%); and

WHEREAS, the total "Bike Lane along East H Street [STM-382]" and "Otay Ranch Preserve Access Control [GG-223]" projects is anticipated to cost \$2,859,238.29 including \$532,372.87 for contingencies, staff time, material testing and other costs; and

WHEREAS, PAL General Engineering, Inc. is a currently active licensed Class A General Engineering Contractor (License No. 916931); and

WHEREAS, under Council Policy No. 574-01, the Director of Public Works may approve a contract increase up to \$139,343.27, based upon the base contract amount. It is recommended that the Director of Public Works be authorized to approve change orders, as necessary, up to the maximum 10% contingency amount of \$290,266, which is an increase of \$150,922.73 over Policy No. 574-01 in order to continue the project without delay;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby accept bids, waive minor bid irregularities, and award a contract for the "Bike Lane along East H Street [STM-382]" and "Otay Ranch Preserve Access Control [GG-223]" project to PAL General Engineering, Inc. in the amount of \$2,326,865.42; waive City Council Policy 574-01 and authorize the expenditure of all available contingency funds in the amount not to exceed \$290,266; and approve an appropriation of \$144,435 from the available balance of Transportation Development Impact Fee funds to CIP No. STM-382.

Presented by

Approved as to form by

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Richard A. Hopkins  
Director of Public Works

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Glen R. Googins  
City Attorney