

RESOLUTION NO. 2015-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING A MINOR MATHEMATICAL ERROR; APPROPRIATING \$150,000 FROM THE AVAILABLE BALANCE OF THE GAS TAX FUND TO CAPITAL IMPROVEMENT PROJECT STL400; ACCEPTING BIDS; AWARDING A CONTRACT FOR THE "THIRD AVENUE STREETScape IMPROVEMENT PROJECT, PHASE II, FROM NORTH OF MADRONA STREET TO "F" STREET (CIP# STL-400)" TO PALM ENGINEERING CONSTRUCTION CO., INC. IN THE AMOUNT OF \$2,295,775.55; AUTHORIZING THE DIRECTOR OF PUBLIC WORKS TO EXECUTE ALL CHANGE ORDERS; AND AUTHORIZING THE EXPENDITURE OF ALL AVAILABLE CONTINGENCY FUNDS IN THE AMOUNT NOT TO EXCEED \$230,000

WHEREAS, the purpose of CIP Project STL400, "Third Avenue Streetscape Improvement Project, Phase II, from north of Madrona Street to "F" Street", is to improve pedestrian safety and circulation, encourage outdoor dining, and use of public transit; and to enhance community gateway features; 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 was covered in previously adopted Final Environmental Impact Report for the Chula Vista Urban Core Specific Plan (UCSP), Final Environmental Impact Report-06-01 ("FEIR-06-01"); and

WHEREAS, only minor technical changes or additions to FEIR-06-01 were necessary and no further CEQA actions or determinations are necessary; and

WHEREAS, On January 28, 2015, the Director of Public Works received two (2) sealed bids for the "Third Avenue Streetscape Improvement Project, Phase II (CIP#STL400) project; and

WHEREAS, the two (2) bids are as follows:

CONTRACTOR		BID
1	Palm Engineering Construction Co., Inc. - San Diego, CA	\$2,295,775.55 (corrected)
		\$2,293,075.55 (as submitted)
2	3-D Enterprises, Inc. – San Diego, CA	\$2,549,726.00 (corrected)
		\$2,569,726.00 *(as submitted)

WHEREAS, during the review of the bid proposals, the low bid submitted by Palm Engineering Construction Co., Inc. of San Diego, CA was determined to contain a minor mathematical error that did not change the ranking order of the bids or affect the unit price of the bid items; and

WHEREAS, Palm Engineering Construction Co., Inc. submitted a letter dated March 3, 2015 acknowledging their mathematical error confirming the corrected total bid amount of \$2,295,775.55; this corrected bid amount is above the Engineer’s estimate of \$2,249,598.50 by \$46,177.05 (approximately 2%); and

WHEREAS, Palm Engineering Construction Co., Inc. is currently an active licensed Class A - General Engineering Contractor (License No. 853930) and has performed similar work in the City with satisfactory performance; and

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

WHEREAS, insufficient funds from Smart Growth Grant (SANDAG), Prop 42 (Gas Tax) and Department of Finance Funds are available in the CIP#STL400 to complete the project; and

WHEREAS, the transfer and appropriation of \$150,000 in Gas Tax funds into STL400 is recommended in order to provide sufficient fund for construction costs associated with this project; and

WHEREAS, a breakdown of construction costs is as follows:

FUNDS REQUIRED FOR CONSTRUCTION	
A. Contract Amount	\$2,295,775.55
B. Contingency (Approximately 10% of Contract)	\$230,000.00
C. Construction Inspection and Land Surveying Staff Costs	\$360,000.00

D. Material Testing	\$26,976.45
TOTAL FUNDS REQUIRED FOR CONSTRUCTION	\$2,912,752.00
Funding Source	
Smart Growth Grant (SANDAG) – Transportation Sales Tax	\$1,228,478.00
Gas Tax	\$260,207.00
TAB Bond Funds	\$1,274,067.00
Appropriation (Gas Tax)	\$150,000.00
Total Funding	\$2,912,752.00

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby waive a minor mathematical error; accept bids; award a contract for the “Third Avenue Streetscape Improvement Project, Phase II, from north of Madrona Street to “F” Street (CIP# STL-400)” project to Palm Engineering and Construction Co., Inc. in the form presented, with such minor modifications as may be required or approved by the City Attorney, in the amount of \$2,295,775.55; and

BE IT FURTHER RESOLVED, that the City Council of the City of Chula Vista does hereby appropriate \$150,000 to the CIP Project category of the Gas Tax Fund for STL400 to cover for Construction Inspection and Land Surveying staff costs associated with this project; 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 \$230,000.

Presented by

Approved as to form by

 Richard A. Hopkins
 Director of Public Works

 Glen R. Googins
 City Attorney