



# CITY COUNCIL AGENDA STATEMENT



January 5, 2021

File ID: 20-0491

## **TITLE**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, WAIVING MINOR IRREGULARITIES, AWARDING THE CONTRACT FOR THE “MAJOR PAVEMENT REHABILITATION FY 2018/2019 (STM0397)” PROJECT TO FRANK AND SON PAVING, INC., AND APPROPRIATING FUNDS THEREFOR (4/5 VOTE REQUIRED)

## **RECOMMENDED ACTION**

Council adopt the resolution.

## **SUMMARY**

On October 28, 2020, the Director of Engineering and Capital Projects received six (6) sealed bids for the advertisement of the “Major Pavement Rehabilitation FY 2018/2019 (STM0397)” project. The project is included in the Capital Improvement Program for Fiscal Year 2018/2019 and is funded by TransNet and the Sewer Facility Replacement Fund. The proposed resolution, if approved, would 1) accept bids; 2) waive minor irregularities; 3) award the contract for this project to Frank and Son Paving, Inc. in the amount of \$2,044,644.72; and 4) appropriate \$25,800 from the available balance of the Sewer Facility Replacement Fund. The appropriated Sewer Facility Replacement funds will be used to rehabilitate a sewer access road near Greenwood Place.

## **ENVIRONMENTAL REVIEW**

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 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 actions would not result in a significant effect on the environment, create a cumulative impact, damage a scenic highway, 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

The “Major Pavement Rehabilitation FY 2018/2019 (STM0397) project will primarily consist of the following improvements:

- Roadway rehabilitation at various locations in the City of Chula Vista using asphalt concrete and rubberized asphalt concrete pavement overlays, as well as Asphalt Rubber Aggregate Membrane (ARAM) chip seals;
- Modification of pedestrian ramps, spandrels, cross gutters, and driveways at various locations;
- Modification of existing signing and striping at various locations;
- Modification of an existing raised median on Third Avenue at D Street; and
- Rehabilitation of a sewer access road.

### Bidding Process

On October 9, 2020, Engineering and Capital Projects’ Staff advertised the project. Six (6) sealed bids were received on October 28, 2020. The submitted base bid totals from the prime contractors were as follows:

<u>Ranking</u>	<u>Contractor</u>	<u>Submitted Base Bid Amount</u>
1	Frank and Son Paving, Inc.	\$2,068,234.21
2	Hazard Construction Company	\$2,082,419.70
3	Eagle Paving Company, Inc.	\$2,098,558.00
4	ONYX Paving Company, Inc.	\$2,324,000.00
5	TC Construction Company, Inc.	\$2,465,041.15
6	Calmex Engineering, Inc.	\$2,562,263.42

During Staff’s review of the bid proposals received, minor computational errors were discovered that resulted in an administrative adjustment to the submitted base bid amount for Frank and Son Paving, Inc. Section 4 of the Bid Proposal Requirements and Conditions provides the process for administrative adjustments for arithmetical errors. The administrative adjustment to the submitted bid amount did not change the lowest responsive bidder for the project. The submitted and adjusted base bid amounts are as follows:

<u>Frank and Son Paving, Inc</u>	<u>Base Bid Amount</u>
Submitted	\$2,068,234.21
Adjusted	\$2,044,644.72

The lowest responsive bidder for the project, Frank and Son Paving, Inc., has acknowledged the minor arithmetical errors in the submitted bid proposal and indicated that they will honor the adjusted base bid amount (Attachment 1). The adjusted base bid of \$2,044,644.72 is below the Engineer’s Estimate of \$2,392,700.00 by \$348,055.28 (or approximately 15%).

Frank and Son Paving, Inc.’s Contractor License No. 612545, as well as all listed sub-contractor’s licenses, are current and active as of November 2020. Staff recommends awarding the contract to Frank and Son Paving, Inc. in the amount of \$2,044,644.72.

Disclosure Statement

Attachment 2 is a copy of the Contractor’s Disclosure Statement.

Wage Statement

The Contractor that is awarded the contract and its sub-contractors 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.

Change Orders

Chula Vista Municipal Code section 2.56.160.C.2 authorizes the City Engineer to approve change orders up to the remaining CIP budget available for this CIP project.

**DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council and has found that Mayor Salas and Councilmember McCann have property holdings withing 1,000 feet of the boundaries of the property which is the subject of this action. However, the decision solely concerns repairs, replacement or maintenance of existing streets, water, sewer, storm drainage or similar facilities, and the member’s property will not be affected disproportionately to other properties receiving the same services. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(d)(1), this item does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov’t Code § 87100, et seq.).

**CURRENT-YEAR FISCAL IMPACT**

Approval of the resolution will appropriate \$25,800 of Sewer Facility Replacement funds to STM0397 and initiate the construction phase. Sufficient funding is available to award the contract and for said appropriation. The following is a summary of anticipated project costs:

<b>FUNDS REQUIRED FOR CONSTRUCTION</b>	
A. Contract Amount	\$2,044,644.72
B. Contract Contingency (Approx. 28%)	\$578,895.47
C. Construction Inspection (Approx. 12%)	\$240,000.00
D. Project Closeout (Approx. 2%)	\$50,000.00
<b>TOTAL FUNDS REQUIRED FOR CONSTRUCTION</b>	<b>\$2,913,540.19</b>

<b>AVAILABLE FUNDING</b>	
A. Transnet - STM0397 (Acct#: STM0397-227)	\$2,798,215.19
B. CalRecycle Grant – STM0397 (Grant#: TRP10-18-0049)	\$89,525.00
C. Appropriated Funds (Sewer Facility Replacement Fund)	\$25,800.00
<b>TOTAL FUNDS AVAILABLE FOR CONSTRUCTION</b>	<b>\$2,913,540.19</b>

**ONGOING FISCAL IMPACT**

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

## **ATTACHMENTS**

Attachment 1 – Acknowledgement of Errors

Attachment 2 – Contractor’s Disclosure Statement

*Staff Contact: Tim Jones, Associate Engineer*