



City of Chula Vista

Staff Report

File#: 15-0345, **Item#:** 9.

RESOLUTION NO. 2015-161 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS AND AWARDING A CONTRACT FOR THE "OTAY RANCH VILLAGE 1 AD 97-2 MAINTENANCE (STL387)" PROJECT TO CAROLINO AND SON ENGINEERING CORPORATION IN THE AMOUNT OF \$211,097.10; WAIVING CITY COUNCIL POLICY 574-01 AND AUTHORIZING THE EXPENDITURE OF ALL AVAILABLE CONTINGENCY FUNDS IN AN AMOUNT NOT TO EXCEED \$31,664.56

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On May 20, 2015, the Director of Public Works received sealed bids for the "Otay Ranch Village 1 AD 97-2 Maintenance (STL387)" project. The project consists of the removal and replacement of failed asphalt concrete pavement (dig-outs) and the application of Type II Rubber Polymer Modified Slurry (RPMS) seal. Other scope of work on this project includes replacement of pedestrian ramps and repair of driveways and sidewalk panels, traffic control, striping and markings and other miscellaneous items of work necessary to complete the project.

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 Class 1(c) categorical exemption pursuant to Section 15301, Existing Facilities, of the State CEQA Guidelines. Thus, no further environmental review is necessary.

BOARD/COMMISSION RECOMMENDATION

Not Applicable

DISCUSSION

In 1997, the City of Chula Vista formed Assessment District (AD) No. 97-2 to benefit Otay Ranch, Village 1. Following the formation of the District, Limited Obligation Improvement Bonds were issued in 1999 to finance the construction and acquisition of certain public improvements benefitting properties within the District 97-2. The improvements included grading and site preparation; slope and erosion control; domestic and wastewater improvements; street improvements such as curb, gutter, medians, and sidewalks; and the installation of traffic signals, streetlights and signage. All district improvements have been completed and remaining surplus funds are held in a bank trust. These funds can be used for maintenance of the improvements.

This project includes maintenance of improvements along portions of Palomar Street, Monarche

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Drive, and Heritage Road, which are included within AD 97-2. The work to be done includes the dig-out and repair of asphalt pavement, application of the RPMS slurry seal, repair/replacement of existing concrete improvements, weed removal and treatment with herbicide, crack filling, pavement striping, markings, traffic control, protection and restoration of existing improvements and other miscellaneous work necessary to successfully complete the project (Attachments 1 and 2).

On May 20, 2015, the Director of Public Works received two (2) bids for the "Otay Ranch Village 1 AD 97-2 Maintenance (STL387)" project. The following bids were received:

	CONTRACTOR	SUBMITTAL RESULT	BID TOTAL SUBMITTED
1	Carolino and Son Engineering Corp.- National City, CA	All requirements met	\$211,097.10
2	Blue Pacific Engineering and Construction - San Diego, CA	Bid proposal not notarized	\$258,024.00

Staff reviewed the low bid submitted by Carolino and Son Engineering Corp. and determined their bid package met all the submittal requirements. The bid submitted is above the Engineer's estimate of \$185,755.00 by \$25,342.10 (or approximately 13.64%). Due to the limited scope of the pavement portion of this project, the unit price for the slurry seal was higher than customary for larger slurry seal projects.

The Contractor has performed construction projects of similar scope for the City in the past and staff has determined their work to be satisfactory. The Contractor's License No. A-833149, as well as all listed sub-contractors' licenses, are current and active. Staff therefore recommends awarding a contract in the amount of \$211,097.10 to Carolino and Son Engineering Corp.

Additionally, City Council Policy No. 574-01 allows the Director of Public Works to authorize a maximum cumulative change order(s) amount of \$73,000 plus 5% of the original contract over \$1,000,000 without City Council prior approval. Based on the contract amount, the maximum aggregate contract increase that may be approved by the Director of Public Works under Policy No. 574-01 is \$17,776.80. The proposed resolution would increase the Director of Public Works' cumulative change order authority to approve change orders, as necessary, up to the 15% contingency amount of \$31,664.56, which is an increase of \$13,887.76 over Policy No. 574-01.

Increasing the contingency funds will allow staff to continue the project without delay should unforeseen circumstances resulting in increased project costs arise 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, etc. Any remaining unused contingency funds will be returned to the project fund balance.

Disclosure Statement

Attachment 3 is a copy of the Contractor's Disclosure Statement.

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Wage Statement

The source of funding for this project is AD 97-2. This is a prevailing wage project and Contractors bidding this project are required to pay prevailing wages to persons employed by them for the work under this project. Disadvantaged businesses were encouraged to bid in the Notice Contractors for various trade publications.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it solely concerns the repair, replacement or maintenance of existing streets, sewer, storm drainage or similar facilities and, as such, the financial effect of the decision on real property is presumed to be not material, pursuant to California Code of Regulations Title 2, sections 18704.2(b)(2). Consequently, this item does not present a conflict 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 goal of the "Otay Ranch Village 1 AD 97-2 Maintenance (STL387)" project is to support the Strong & Secure Neighborhood strategy identified in the City's Strategic Plan. The maintenance and rehabilitation of public infrastructure is a key City function providing a safe and efficient roadway system for residents, businesses and visitors alike.

CURRENT YEAR FISCAL IMPACT

Sufficient Assessment District (97-2) funds are available in CIP STL387 to complete the project; therefore, there are no additional impacts to these funds. The following is a summary of anticipated project costs:

FUNDS REQUIRED FOR CONSTRUCTION	
A. Contract Amount	\$ 211,097.10
B. Contingencies (Approx. 15%)	\$ 31,664.56
C. Staff Time, Material Testing and Other Costs (Approx. 15%)	\$ 31,664.56
CONSTRUCTION TOTAL	\$ 274,426.22

ONGOING FISCAL IMPACT

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

ATTACHMENTS

1. Project Location
2. Work Breakdown
3. Disclosure Statement

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