



City of Chula Vista

Staff Report

File#: 16-0396, **Item#:** 7.

CONSIDERATION OF WAIVING AN IRREGULARITY IN THE BID RECEIVED FOR THE "PAVEMENT MINOR REHABILITATION FY15/16 (STL409)" PROJECT PER CITY CHARTER SECTION 1009

RESOLUTION NO. 2016-205 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, WAIVING A MINOR BID IRREGULARITY, AND AWARDING A CONTRACT FOR THE "PAVEMENT MINOR REHABILITATION FY15/16 (STL409)" PROJECT TO PAL GENERAL ENGINEERING, INC. IN THE AMOUNT OF \$1,179,402.35 AND APPROPRIATING \$29,755 FROM THE AVAILABLE BALANCE OF THE TRANSPORTATION PARTNERSHIP FUND TO STL409 (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council conduct the public hearing and adopt the resolution.

SUMMARY

On August 24, 2016, the Director of Public Works received sealed bids for the "Pavement Minor Rehabilitation FY15/16 (STL409)" project. The project consists of the removal and replacement of failed asphalt concrete pavement (dig-outs) and resurfacing streets with Asphalt Rubber Aggregate Membrane (ARAM). Additional scope of work on this project includes traffic control; striping and markings, and other miscellaneous items of work necessary to complete the project.

ENVIRONMENTAL REVIEW

Environmental Notice

The Project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act State Guidelines.

Environmental Determination

The Director of Development Services 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 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines. Thus, no further environmental review is required.

BOARD/COMMISSION RECOMMENDATION

Not applicable.

DISCUSSION

The Public Works Department utilizes a Pavement Management System (PMS) and pavement

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preservation program to develop the priority list of streets to rehabilitate and preserve throughout the city. This preservation program is designed to extend the roadway life and serviceability using various pavement preservation strategies dependent on existing pavement conditions. Removal and replacement of localized failed pavement (dig-outs) and the application of the Asphalt Rubber Aggregate Membrane (ARAM) surface treatment on the street segments shown in Attachment 1 will complete the overall preventative maintenance strategy on these street segments.

In addition to the dig-outs and surface treatment, the scope of work also includes crack filling, pavement striping and markings, traffic control, protection and restoration of existing improvements and other miscellaneous work necessary to successfully complete the project.

On August 24, 2016, the Director of Public Works received four (4) bids for the "Pavement Minor Rehabilitation FY15/16 (STL409)" project. The following bids were received:

	CONTRACTOR	SUBMITTAL RESULT	BID TOTAL SUBMITTED
1	PAL General Engineering, Inc. - San Diego, CA	All requirements met with a minor irregularity	\$1,179,402.35
2	American Pavement Systems, Inc. - Modesto, CA	All requirements met	\$1,332,660.35
3	Manhole Adjusting, Inc. - Pico Rivera, CA	All requirements met	\$1,374,698.24
4	Ramona Paving & Construction Corp. - Ramona, CA	All requirements met	\$1,478,620.57

Staff reviewed the low bid submitted by PAL General Engineering, Inc. and determined that their bid package met all the submittal requirements with one minor irregularity whereby the bidder implemented the change identified in contract Addendum #2, but did not include the signed Addendum #2 form in the bid package. The bid submitted by PAL General Engineering, Inc. is above the Engineer's estimate of \$1,172,640.76 by \$6,761.59 (or approximately 0.58%).

This contract incorporates Alternate Bid street segments that allow City Staff the flexibility to adjust bid item quantities depending on the available contingency balance of funds in order to maximize the use of available budget toward rehabilitating additional street segments. The contract bid amounts shown herein include the Alternate Bid street segments. If any Alternate Bid street segments cannot be included in the project, those segments will be incorporated into the following fiscal year's Pavement Minor Rehabilitation project.

The Contractor has satisfactorily 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. 916931, as well as all listed sub-contractors' licenses, are current and active. Staff recommends awarding a

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contract, including the alternate bid, in the amount of \$1,179,402.35 to PAL General Engineering, Inc.

Disclosure Statement

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

Wage Statement

The sources of funding for this project are Gas Tax and Transportation Partnership Funds. 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 property holdings of the City Council and has found no property holdings within 500 feet of the boundaries of the properties which are the subject of this action. Staff is not independently aware, nor has staff 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 "Pavement Minor Rehabilitation FY15/16 (STL409)" project is to support the Strong and Secure Neighborhood strategy identified in the City's Strategic Plan. The maintenance and rehabilitation of public infrastructure is a key City function in providing a safe and efficient roadway system for residents, businesses and visitors alike.

CURRENT YEAR FISCAL IMPACT

The following is a summary of anticipated project costs:

FUNDS REQUIRED FOR CONSTRUCTION	
A. Contract Amount	\$1,179,402.35
B. Contingencies (Approx. 6%)	\$ 49,736.65
C. Staff Time, Material Testing & Other Costs (Approx. 7%)	\$ 80,000.00
CONSTRUCTION TOTAL	\$1,309,139.00

FUNDING SOURCES (ROUNDED) 8/25/2016	
A. STL409 (Gas Tax Funds)	\$1,279,384
B. STL409 (Transportation Partnership Funds to b	\$29,755
TOTAL	\$1,309,139

Approval of the resolution will initiate the construction phase of STL409 and appropriate \$29,755 from the Transportation Partnership Fund. Sufficient Gas Tax and Transportation Partnership funds are available to cover the construction and staff costs associated with STL409. Therefore, there is no additional impact to these funds.

ONGOING FISCAL IMPACT

Upon completion of the project, the improvements will require only routine City street maintenance. Since the improvements are anticipated to increase the life of the streets included, there should be a positive long term fiscal

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impact.

ATTACHMENTS

1. Project Location Map
2. Disclosure Statement

Staff Contact: Paul Oberbauer, Associate Civil Engineer