



City of Chula Vista

Staff Report

File#: 18-0003, **Item#:** 5.

RESOLUTION NO. 2018-028 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING BIDS, AWARDING THE CONTRACT FOR THE "PALOMAR STREET AND ORANGE AVENUE SIDEWALK IMPROVEMENTS (STL420)" PROJECT TO TRI-GROUP CONSTRUCTION AND DEVELOPMENT INC., IN THE AMOUNT OF \$809,284; APPROPRIATING \$312,750 FROM THE AVAILABLE BALANCE OF THE TRAFFIC SIGNAL FUND TO STL420; AND TRANSFERRING \$187,250 IN TRANSNET APPROPRIATIONS FROM DRN0206 TO STL420 (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On December 27, 2017, the Director of Engineering and Capital Projects received six (6) sealed bids for the "Palomar Street and Orange Avenue Sidewalk Improvements (STL420)" project. The project is included in the Capital Improvement Program for Fiscal Year 2016/2017, and is funded by TransNet and Community Development Block Grant (CDBG) funds. The proposed resolution, if approved, would 1) accept bids; 2) waive minor mathematical bid irregularities; 3) award the contract for this project to Tri-Group Construction and Development Inc. in the amount of \$809,284; 4) appropriate \$312,750 from the available Traffic Signal fund to STL420; and 5) transfer \$187,250 in TransNet from DRN0206 to STL420.

ENVIRONMENTAL REVIEW

Environmental Notice

The Palomar Street and Orange Avenue Sidewalk Improvements Project qualifies for a Categorical Exemption pursuant to the California Environmental Quality Act (CEQA) State Guidelines Section 15301 Class 1 (Existing Facilities) and Class 3 pursuant to Section 15303 (New Construction or Conversion of Small Structures) of the California Environmental Quality Act State Guidelines. Additionally, under the National Environmental Policy Act (NEPA) the project is categorically exempt per 24 CFR 58.35(a). Therefore, it does not require any mitigation for compliance with any listed statutes or authorities, nor requires any formal permit or license.

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 Palomar Street and Orange Avenue Sidewalk Improvements Project (STL420) qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Sections 15301 Class 1 (Existing Facilities) and/or Section 15303 Class 3 (New Construction or Conversion of Small Structures). Thus, no further environmental review is required. Additionally, the Director of Development Services has reviewed the proposed project for compliance with the National Environmental Policy Act (NEPA) and has determined that the Palomar Street and Orange Avenue Sidewalk Improvements Project (STL420) qualifies for a Categorical Exemption pursuant to 24 CFR 58.35(a). Thus, no further environmental review is

required.

BOARD/COMMISSION RECOMMENDATION

Not Applicable.

DISCUSSION

The "Palomar Street and Orange Avenue Sidewalk Improvements (STL420)" project will primarily consist of the following improvements:

- Installation of missing curb, gutter and sidewalk improvements along the south side of Palomar Street between Fifth Avenue and Orange Avenue;
- Installation of missing curb, gutter and sidewalk improvements along the north side of Orange Avenue between Fifth Avenue and Palomar Street;
- Updating and modifying the existing traffic signals and equipment at the intersection of Palomar Street and Orange Avenue; and
- Incorporating required project water quality and green streets features at the corner of Palomar Street and Orange Avenue. Drought tolerant plants, select trees and seating benches will also be added to improve the public use of this remnant parcel (see Attachment 2)

Bidding Process

On December 1, 2017, Engineering and Capital Projects Staff advertised the project and received six (6) sealed bids on December 27, 2017. The original base bid totals from the six (6) prime contractors were as follows:

Original Ranking	CONTRACTOR	ORIGINAL BASE BID AMOUNT
1	Tri-Group Construction and Development Inc.	\$809,199.00
2	Miramar General Engineering	\$853,109.00
3	Crest Equipment Inc	\$859,204.30
4	Just Construction Inc	\$860,538.30
5	PAL General Engineering	\$998,484.00
6	Portillo Concrete Inc.	\$1,088,373.00

Subsequent to Staff review of the bid proposals received, minor mathematical bid errors were discovered that resulted in changes to the original base bid amounts for four (4) of the prime contractors. It shall be noted that the resulting changes in original base bid amounts did not change the lowest responsive bidder for the project. The final rankings of the bid proposals received and the corresponding revised base bid amounts are as follows:

Revised Ranking	CONTRACTOR	REVISED BASE BID AMOUNT
1	Tri-Group Construction and Development Inc.	\$809,284.00
2	Crest Equipment Inc.	\$860,004.30

File#: 18-0003, Item#: 5.

3	Just Construction Inc.	\$860,138.30
4	Miramar General Engineering	\$920,429.00
5	PAL General Engineering	\$998,484.00
6	Portillo Concrete Inc.	\$1,088,373.00

The lowest responsive bidder for the project, Tri-Group Construction and Development Inc., has acknowledged the minor mathematical errors in their bid proposal and indicated that they will honor the revised base bid amount (Attachment 1).

The revised base bid amount of \$809,284.00 from the lowest responsive bidder is above the Engineer's Estimate of \$723,362 by \$85,922 (or approximately 11.9%). Based on the very minor variations between the four (4) lowest base bid amounts, City Staff has determined that the bid proposals received represent the current construction costs for the improvements associated with the project and will update unit costs appropriately for future estimates.

Tri-Group Construction and Development Inc.'s Contractor License No. 792159, as well as all listed sub-contractor's licenses, are current and active as of January 2018. Staff has verified the references provided by the Contractor and determined them to be satisfactory. Staff recommends awarding a contract in the amount of \$809,284.00 to Tri-Group Construction and Development Inc.

Change Orders

On May 9, 2017, City Council approved Resolution 17-0174 to adopt ordinance (Ord. 3400 § 1, 2017) of the City of Chula Vista and amend Chapter 2.56 of the Chula Vista Municipal Code - "Purchasing System. This ordinance amends the change order limits and authorizes the City Engineer to approve change orders up to the remaining CIP budget available for the CIP project.

Disclosure Statement

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

Wage Statement

The Contractor that is awarded the contract and its subcontractors 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.

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 property which is the subject of this action. 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 "Palomar Street and Orange Avenue Sidewalk Improvements Project (STL420)" supports the "Strong & Secure Neighborhoods" goal as it will improve pedestrian access along two of the city's highest ranked

File#: 18-0003, Item#: 5.

pedestrian corridors (ranked No. 1 and No. 3 in the Chula Vista Pedestrian Master Plan).

CURRENT YEAR FISCAL IMPACT

Approval of the resolution will initiate the construction phase of STL420. In addition, \$312,750 will be appropriated from the Traffic Signal Fund and \$187,250 in TransNet will be transferred from DRN0206 to STL420. Sufficient funding is available to award the contract and for said transfer. Therefore, there is no additional impact to the Traffic Signal, TransNet, and CDBG Funds.

FUNDS REQUIRED FOR CONSTRUCTION	
A. Contract Amount	\$809,284
B. Contract Contingency	\$114,086
C. Design & Survey Support Costs	\$40,464
D. Construction Inspection Staff Cost	\$140,000
TOTAL FUNDS REQUIRED FOR CONSTR	\$1,103,834

AVAILABLE FUNDING	
A. Project Budget (STL420)	\$603,834
B. Appropriated Funds (Traffic Signal)	\$312,750
C. Transferred from DRN0206 to STL420 (T	\$187,250
TOTAL FUNDS AVAILABLE FOR CONSTI	\$1,103,834

ONGOING FISCAL IMPACT

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

ATTACHMENTS

1. Letter from Tri-Group
2. Public Space Exhibit

Staff Contact: Tim Jones, Associate Civil Engineer