



City Council Staff Report

Date: November 7, 2012 CONSENT CALENDAR

Subject: AWARD OF CONTRACT FOR THE TRACT NO. 13257 SEWER IMPROVEMENTS - PHASE 2, CITY PROJECT 12-07

From: David H. Ready, City Manager

Initiated by: Public Works and Engineering Department

SUMMARY

Award of this contract will allow staff to proceed with this Community Development Block Grant (CDBG) funded project to construct phase 2 of the new sewer system within Tract No. 13257, located west of Gene Autry Trail and south of Via Escuela.

RECOMMENDATION:

- 1) Approve Agreement No. _____ in the amount of \$170,909.00 with Borden Excavating, Inc., a California corporation, for Tract No. 13257 Sewer Improvements – Phase 2, City Project 12-07; and
- 2) Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

The Public Works and Engineering Department has commenced the design and construction of a new sewer system to serve the low-to-moderate income neighborhood located west of Gene Autry Trail and south of Via Escuela (referred to as "Tract No. 13257"). Tract No. 13257 was developed during the 1980's when it was part of unincorporated Riverside County. At that time, Riverside County did not require extension of public sewer to the tract, and all 87 homes in Tract No. 13257 have private septic systems, some of which have begun to fail. Some lower income property owners have had to request financial assistance from the City for pumping and servicing of their septic systems.

This CDBG project proposes to install approximately 3,800 feet of 8" vitrified clay pipe (VCP) public sewer line and 3,480 feet of 4" VCP sewer laterals. The costs for septic tank abandonments, for the on-site building sewer extensions, and the sewer connection fee (\$3,000 per unit) at the time a property is connected to the City's sewer

system, were included in the project. Given the \$1,200,000 total estimated cost to provide public sewer to Tract No. 13257, this project was proposed as a multi-year CDBG phased project.

On March 17, 2010, the City Council approved the 2010/2011 CDBG Program, and awarded the Public Works and Engineering Department \$267,118 for the first phase of the project. On March 16, 2011, the City Council approved the 2011/2012 CDBG Program, and awarded the Department \$180,951 for the second phase of the project (this amount was reduced to \$160,855 as a result of a lower overall CDBG Program distribution to the City).

On July 20, 2011, the City Council approved the plans and authorized bidding for Phases 1 and 2 of the project. On August 23, 2011, the Procurement and Contracting Division received construction bids from five contractors. The low bid (G&M Construction) exceeded the total amount of CDBG funds available, therefore, it was not possible to award Phase 2 at that time. It was recommended that only a portion of Phase 2 sewer construction work (within Zachary Court) be added by Contract Change Order (CCO), using unexpended CDBG funds from prior years. The portion of work added by CCO included only the public sewer main and sewer laterals within Zachary Court. No septic tank abandonments, on-site building sewer extensions, or sewer connection fees were included, given the budget constraints.

This year, the Public Works and Engineering Department requested and received funding from the City's CDBG Program. On April 11, 2012, the City Council approved the 2012/2013 CDBG Program, and awarded the Public Works and Engineering Department \$145,689 for the second phase of this project.

On October 4th and October 11th, 2012, the second phase of the project was advertised for bids, and at 3:00 p.m. on October 31, 2012, the Procurement and Contracting Division received construction bids from the following contractors:

1. Borden Excavating, Inc., Calimesa, CA	\$170,909.00
2. Tri-Star Contracting II Inc., Desert Hot Springs, CA	\$172,831.50
3. Vasily Company, Inc., Shadow Hills, CA	\$173,750.00
4. Pyramid Building & Engineering, Inc., Hesperia, CA	\$174,687.50
5. G&M Construction, Palm Springs, CA	\$198,650.00
6. Simon Contracting, Indio, CA	\$219,500.00
7. Eagle Engineering & Development, Inc., Pomona, CA	\$226,250.00
8. Genesis Construction, Hemet, CA	\$256,777.00
9. JPI Development Group, Inc., Murrieta, CA	\$290,248.00
10. Atlas Underground, Inc., Pomona, CA	\$335,920.00

The Engineer's Estimate for Phase 2 is \$190,000.

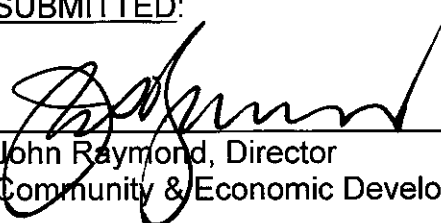
The lowest, responsive bidder is Borden Excavating, Inc., a California Corporation, from Calimesa, California, whose principal officers are: Shaun Borden, President; and Shaun Borden, Secretary/Treasurer.

FISCAL IMPACT:

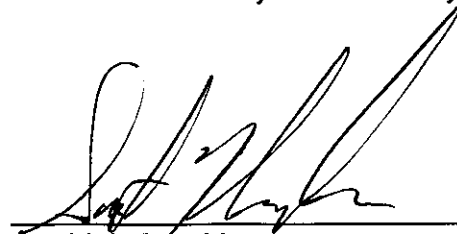
There is \$181,791 in CDBG funds currently available for Phase 2 including unexpended CDBG funds from the prior year. Sufficient funds are available in account 137-4813-63583 to award Phase 2.

In order to complete Phase 3 and 4, it will be necessary for the City to allocate additional CDBG funds from future years.

SUBMITTED:

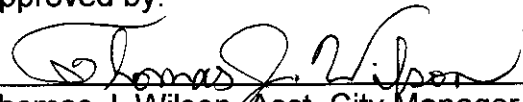


John Raymond, Director
Community & Economic Development

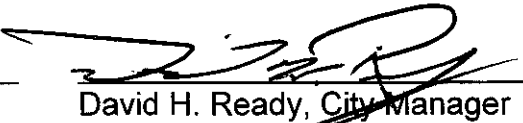


David J. Barakian
Director of Public Works/City Engineer

Approved by:



Thomas J. Wilson, Asst. City Manager



David H. Ready, City Manager

Attachments:

1. Agreement

AGREEMENT

THIS AGREEMENT made this _____ day of _____ in the year 2012, by and between the City of Palm Springs, a charter city, organized and existing in the County of Riverside, under and by virtue of the laws of the State of California, hereinafter designated as the City, and Borden Excavating, Inc., hereinafter designated as the Contractor.

The City and the Contractor, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 -- THE WORK

The Contractor shall complete the Work as specified or indicated under the Bid Schedule(s) of the City's Contract Documents entitled:

TRACT 13257 SEWER IMPROVEMENTS – PHASE 2 CITY PROJECT NO. 12-07

The Work is generally described as follows:

Installation of eight-inch VCP sewer mains, manholes, four-inch VCP sewer laterals, trenching and excavations for sewer installation, trench backfill and pavement replacement, off-site restoration, and all related and associated work.

ARTICLE 2 -- COMMENCEMENT AND COMPLETION

The Work to be performed under this Contract shall commence on the date specified in the Notice to Proceed by the City, and the Work shall be fully completed within the time specified in Section 2 of these Special Provisions.

The City and the Contractor recognize that time is of the essence of this Agreement, and that the City will suffer financial loss if the Work is not completed within the time specified in Article 2, herein, plus any extensions thereof allowed in accordance with the applicable provisions of the Standard Specifications, as modified herein. They also recognize the delays, expense, and difficulties involved in proving in a legal proceeding the actual loss suffered by the City if the Work is not completed on time. Accordingly, instead of requiring any such proof, the City and the Contractor agree that as liquidated damages or delay (but not as a penalty), the Contractor shall pay the City the sum of **\$1,300.00** for each calendar day that expires after the time specified in Article 2, herein.

ARTICLE 3 -- CONTRACT PRICE

The City shall pay the Contractor for the completion of the Work, in accordance with the Contract Documents, in current funds the Contract Price(s) named in the Contractor's Bid and Bid Schedule(s).

ARTICLE 4 -- THE CONTRACT DOCUMENTS

The Contract Documents consist of the Notice Inviting Bids, Instructions to Bidders, the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations, Federal Labor Standards Provisions, Federal Rates of Prevailing Wages, the accepted Bid and Bid Schedule(s), List of Subcontractors, Non-collusion Affidavit, Bidder's General Information, Bid Security or Bid Bond, this Agreement, Worker's Compensation Certificate, Performance Bond, Payment Bond, Standard Specifications, Special Provisions, the Drawings, Addenda numbers 1 to 2, inclusive, and all Change Orders and Work Change Directives which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto.

ARTICLE 5 -- PAYMENT PROCEDURES

The Contractor shall submit Applications for Payment in accordance with provisions of the Standard Specifications as amended by the Special Provisions. Applications for Payment will be processed by the Engineer or the City as provided in the Contract Documents.

ARTICLE 6 -- NOTICES

Whenever any provision of the Contract Documents requires the giving of a written Notice, it shall be deemed to have been validly given if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the Notice.

ARTICLE 7 -- MISCELLANEOUS

Terms used in this Agreement which are defined in the Standard Specifications and the Special Provisions will have the meanings indicated in said Standard Specifications and the Special Provisions. No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically, but without limitation, monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

The City and the Contractor each binds itself, its partners, successors, assigns, and legal representatives, to the other party hereto, its partners, successors, assigns, and legal representatives, in respect of all covenants, agreements, and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, the City and the Contractor have caused this Agreement to be executed the day and year first above written.

**ATTEST:
CITY OF PALM SPRINGS,
CALIFORNIA**

By _____
City Clerk

APPROVED AS TO FORM:

By _____
City Attorney

Date _____

CONTENTS APPROVED:

By _____
City Engineer

Date _____

By _____
City Manager

Date _____

APPROVED BY THE CITY COUNCIL:

Date _____

Agreement No. _____

Corporations require two notarized signatures: One signature must be from Chairman of Board, President, or any Vice President. The second signature must be from the Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.

CONTRACTOR: Name: _____ Check one: Individual Partnership Corporation
Address: _____

By: _____
Signature (notarized)

By: _____
Signature (notarized)

Name: _____

Name: _____

Title: _____

Title: _____

(This Agreement must be signed in the above space by one of the following: Chairman of the Board, President or any Vice President)

This Agreement must be signed in the above space by one of the following: Secretary, Chief Financial Officer or any Assistant Treasurer)

State of _____
County of _____ ss

State of _____
County of _____ ss

On _____
before me, _____
personally appeared _____

On _____
before me, _____
personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

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WITNESS my hand and official seal.

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Notary Signature:

Notary Signature:

Notary Seal:

Notary Seal: