



City Council Staff Report

DATE: October 7, 2015 CONSENT CALENDAR

SUBJECT: AWARD A CONSTRUCTION CONTRACT TO HIGH-LIGHT ELECTRIC INC., A CALIFORNIA CORPORATION IN THE AMOUNT OF \$450,000 FOR THE PALM SPRINGS ENTRY SIGNS, CITY PROJECT NO. 13-31

FROM: David H. Ready, City Manager

BY: Public Works & Engineering Department

SUMMARY

Award of this contract will allow the City to proceed with construction of the Palm Springs Entry Signs, City Project No. 13-31.

RECOMMENDATION:

1. Award a construction contract (Agreement No. ____) to High-Light Electric, Inc., a California corporation in the amount of \$450,000 for Bid Schedules A, B, C and D for the Palm Springs Entry Signs, City Project No. 13-31; and
2. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

As part of the Fiscal Year 2013/2014 budget, the City Council appropriated \$150,000 from the Measure J Capital Improvement Fund (Fund 260) for the installation of two new "Palm Springs" entry way signs.

On March 6, 2013, the City retained Jeffrey Jurasky & Associates, Inc., ("JJA") through a Professional Service Agreement ("PSA") to develop designs for the two entry way signs, identified as the Palm Springs Entry Signs, City Project No. 13-31, (the "Project"). The locations of these two entry way signs are on Ramon Road at San Luis Rey Drive and East Palm Canyon Drive at Gene Autry Trail for visitors coming into Palm Springs from Cathedral City. The scope of work is to install the signs in existing/proposed median islands within the roadway. Each sign consists of two independent aluminum bridges with the word PALM on one and SPRINGS on the other, three differently colored acrylic panels, vault for structural mountings, concrete foundations, and LED

strip lighting. The installation includes modifying/new irrigation and planting as well as electrical services connections.

On September 17, 2014, the conceptual design for the two entry way signs was presented to the City Council, and received approval. A representation of the conceptual design for the entry way signs is shown in Figure 1:

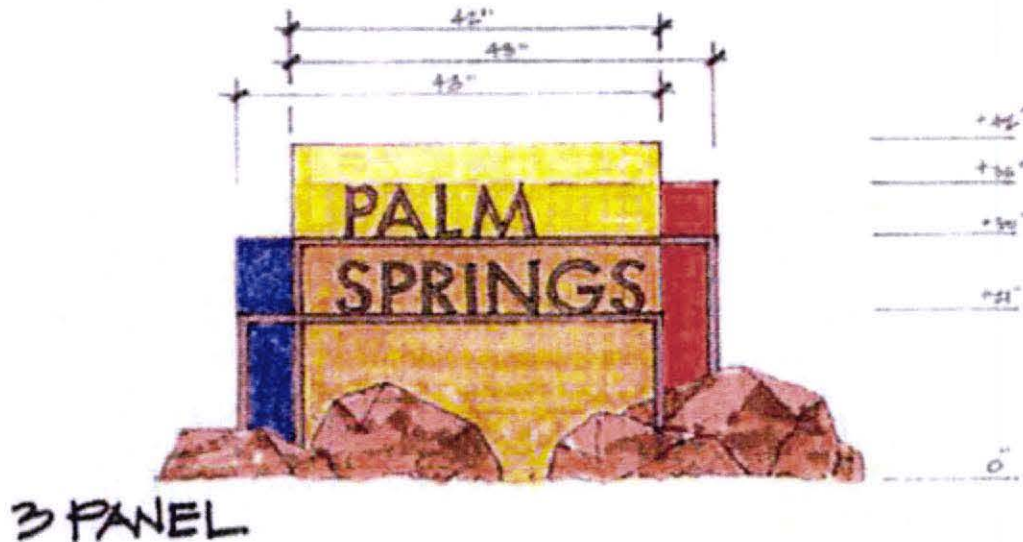
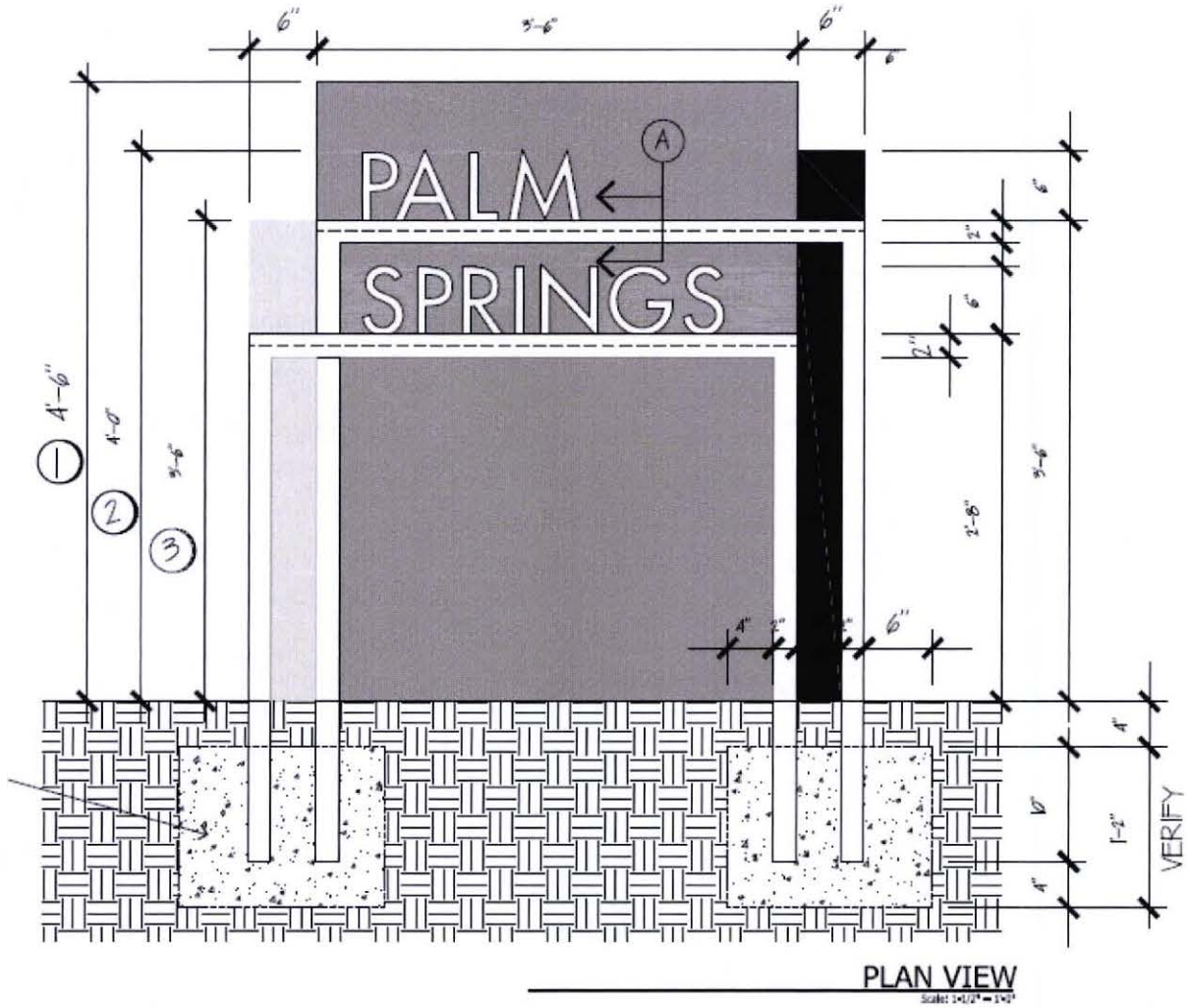
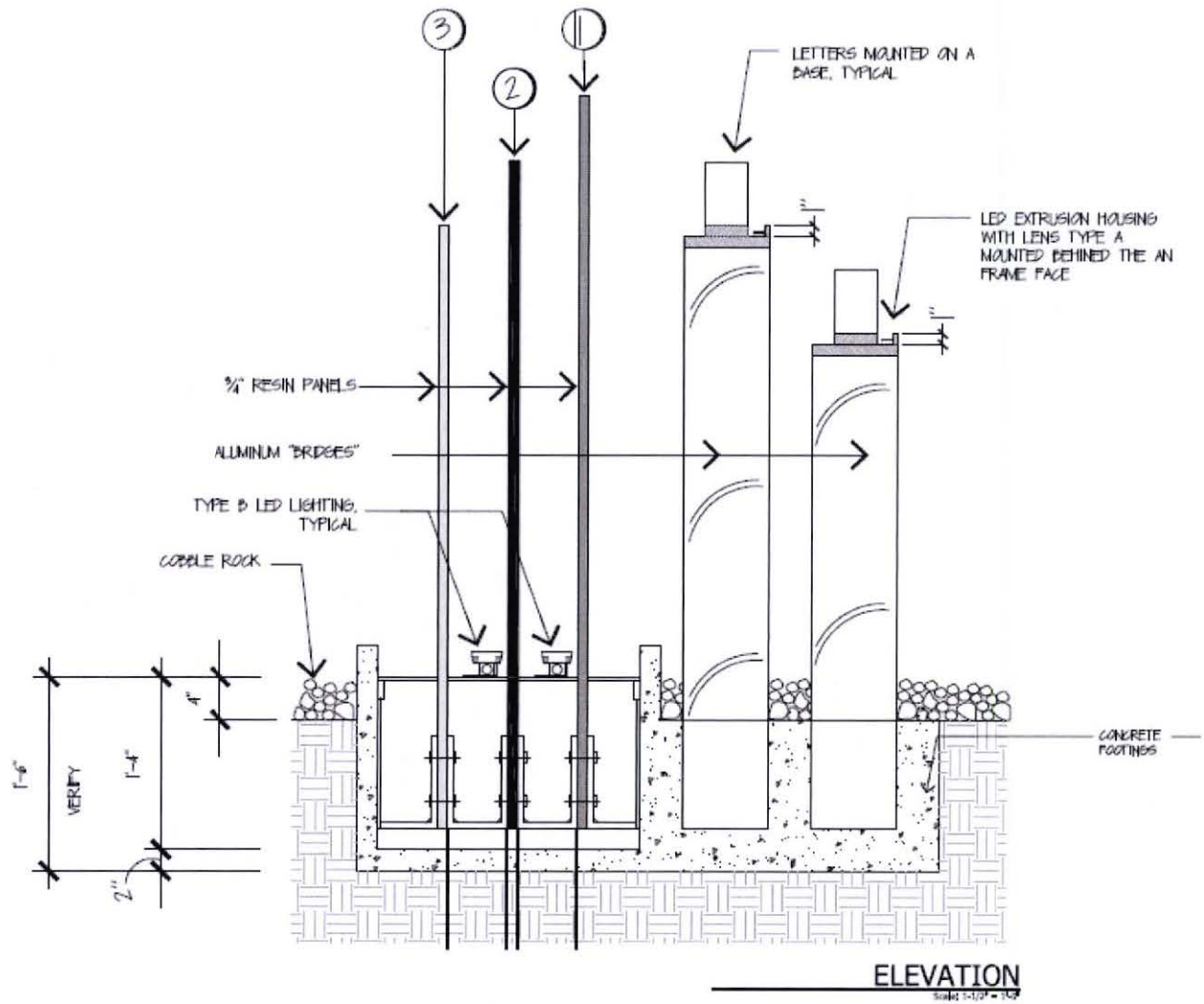


Figure 1

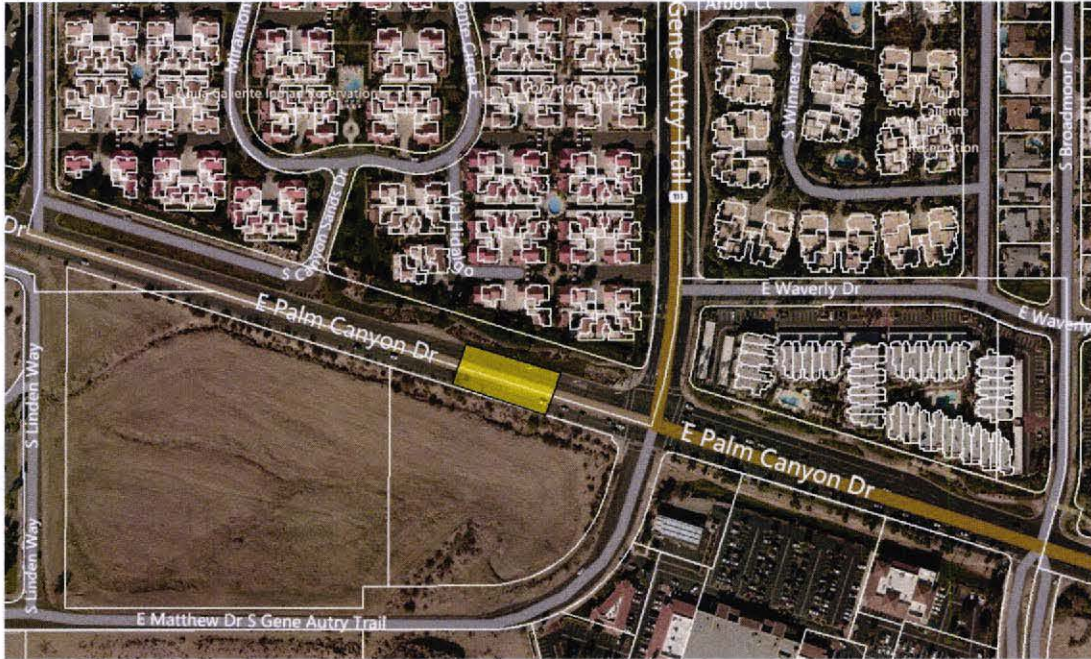
At that time, the City Council directed staff to add another two entry signs for locations entering Palm Springs from N. Indian Canyon Drive and Dinah Shore Drive.

Subsequently, on December 3, 2014, the City Council approved Amendment No. 1 to the PSA with JJA to prepare designs for the two additional entry way signs. A total of four entry way signs are proposed within the City and their locations are identified on the exhibits on the following pages. The detail for the sign is shown on the following pages.

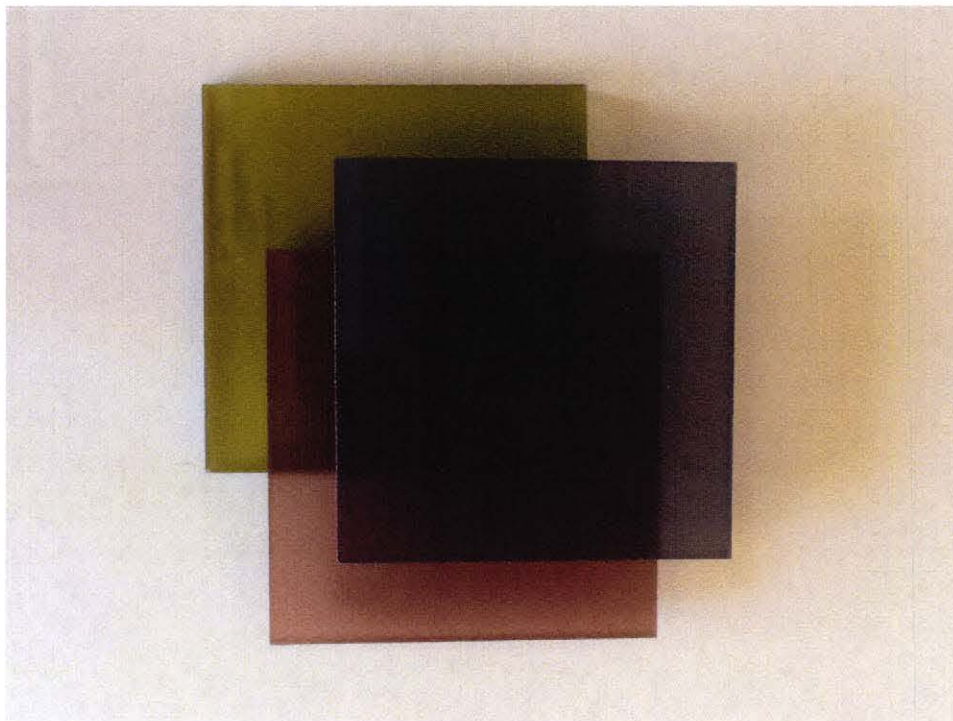




Entry Way Sign #1
E. Palm Canyon Dr.

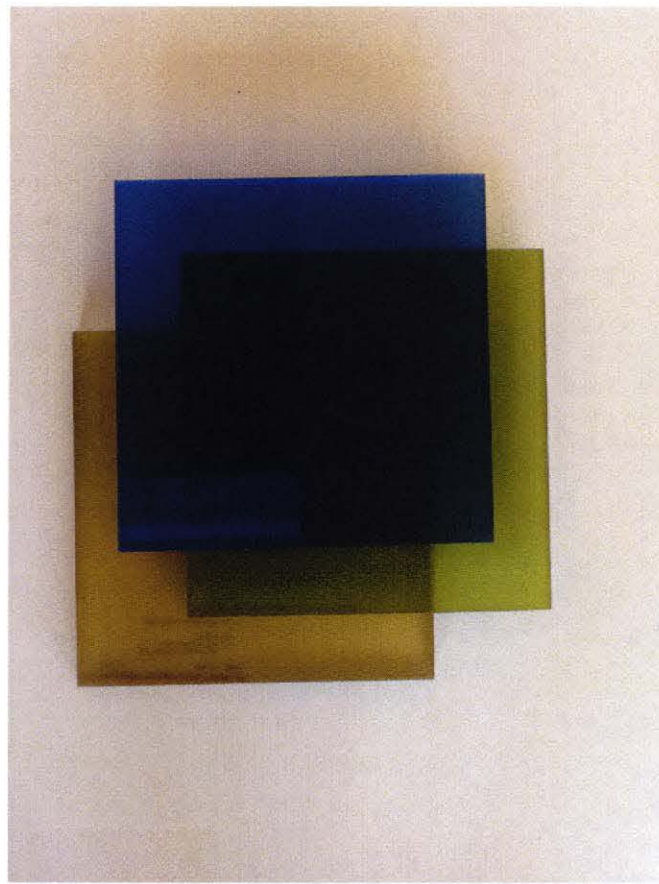


Location Map



Acrylic Panel Color Scheme

Entry Way Sign #2
Dinah Shore Dr.

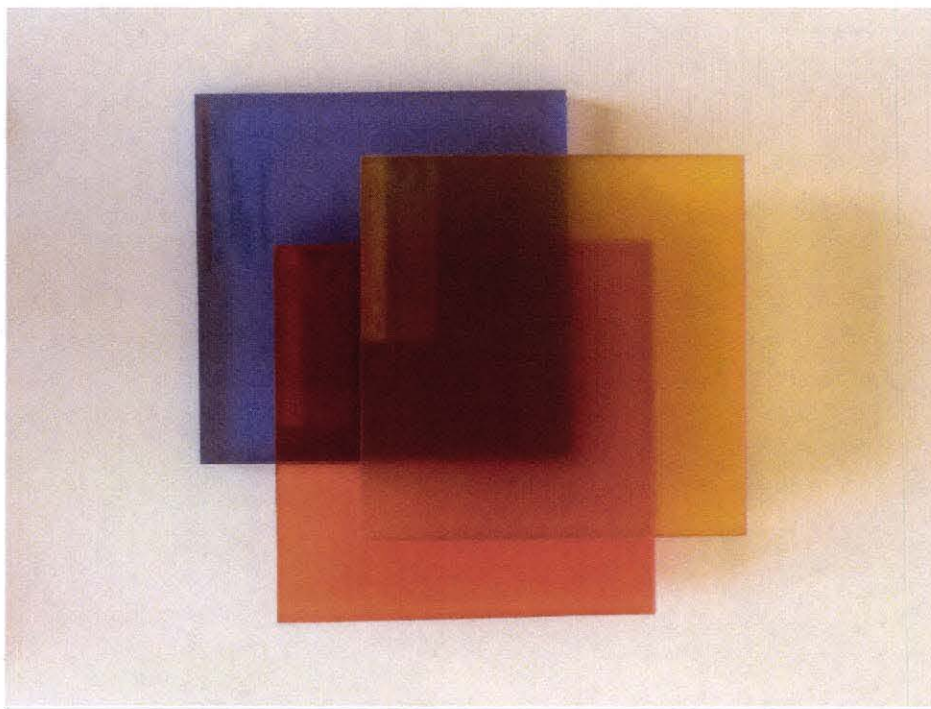


Acrylic Panel Color Scheme

Entry Way Sign #3
Ramon Road

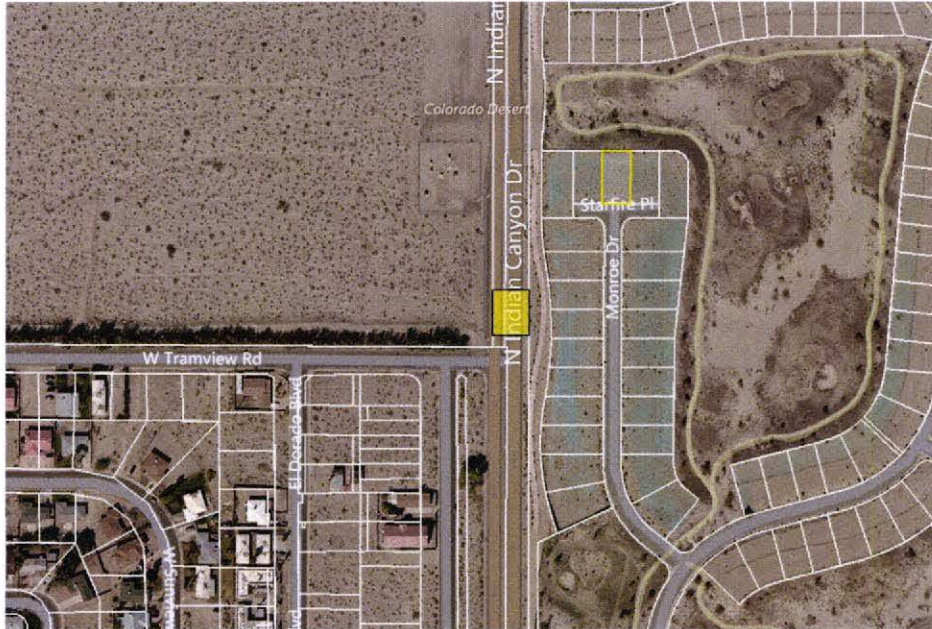


Location Map

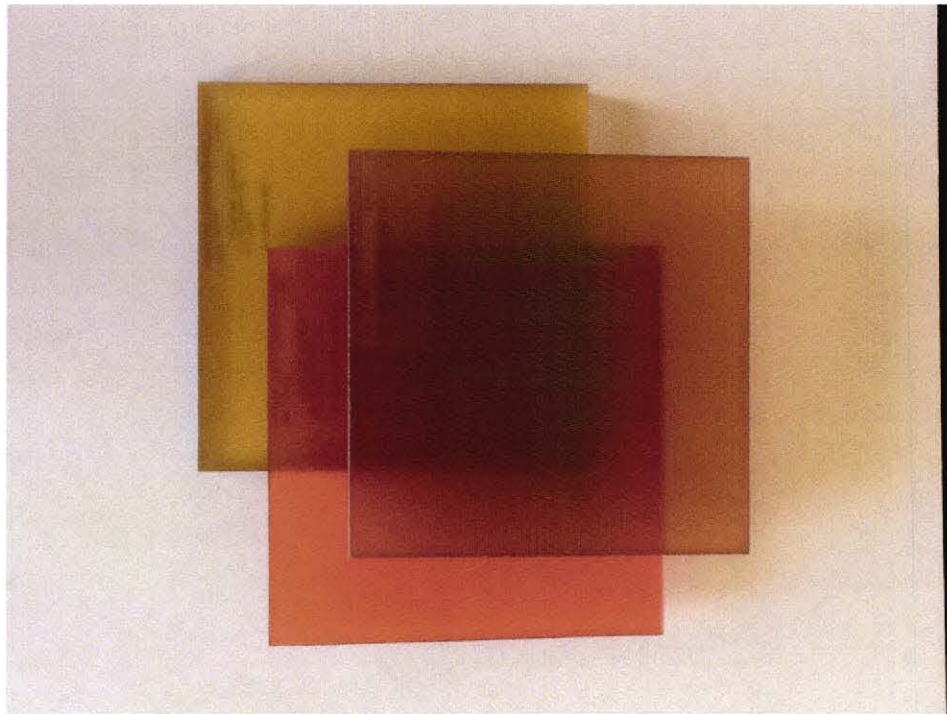


Acrylic Panel Color Scheme

Entry Way Sign #4
N. Indian Canyon Dr.



Location Map



Acrylic Panel Color Scheme

The construction drawings for the Project were completed by JJA, and on July 1, 2015, the City Council approved the plans, specifications and estimate and authorized staff to advertise and solicit bids the Project. Subsequently, on September 3, 2015, the Procurement and Contracting Division received two construction bids from the following contractors:

Company	Location	Bid Amount
High-Light Electric, Inc.	Riverside, CA	\$450,000
AToM Engineering Construction, Inc.	Hemet, CA	\$567,398

The individual costs for each sign are:

Bid Schedule A (E. Palm Canyon Drive):	\$145,000
Bid Schedule B (Dinah Shore Drive):	\$115,000
Bid Schedule C (Ramon Road):	\$130,000
Bid Schedule D (Indian Canyon Drive):	<u>\$60,000</u>
Total Bid:	\$450,000

A full bid summary is included as **Attachment 1**. The final construction estimate was \$270,000.

Public Works Contractor Registration Law (SB 854)

Under California Labor Code Section 1771.1, as amended by Senate Bill (SB) 854 (2014), unless registered with the State of California Department of Industrial Relations (DIR), a contractor may not bid, nor be listed as a subcontractor, for any bid proposal submitted for public works projects on or after March 1, 2015. Similarly, a public entity cannot award a public works contract to a non-registered contractor, effective April 1, 2015. Staff has reviewed the DIR's contractor registration database, and has confirmed that High-Light Electric, Inc., is registered with the DIR, and is appropriately licensed.

High-Light Electric, Inc., a California corporation, ("High-Light"), of Riverside, California submitted the lowest responsive bid. Staff reviewed the High-Light's bid, references, and contractor's license, and found High-Light to be properly licensed and qualified. A construction contract with High-Light for the Project is included as **Attachment 2**.

Local Business Preference Compliance

Section 7.09.030 of the Palm Springs Municipal Code, "Local Business Preference Program," requires prime contractors to use good faith efforts to sub-contract the supply of materials and equipment to local business enterprises and to sub-contract services to businesses whose work force resides within the Coachella Valley. High-Light is not considered a local business, however, High-Light demonstrated sufficient evidence of good faith efforts to sub-contract the supply of materials and equipment to local business enterprises.

ENVIRONMENTAL IMPACT:

Section 21084 of the California Public Resources Code requires Guidelines for Implementation of the California Environmental Quality Act (“CEQA”). The Guidelines are required to include a list of classes of projects which have been determined not to have a significant effect on the environment and which are exempt from the provisions of CEQA. In response to that mandate, the Secretary for Resources identified classes of projects that do not have a significant effect on the environment, and are declared to be categorically exempt from the requirement for the preparation of environmental documents. In accordance with Section 15301 “Existing Facilities,” Class 1 exemptions consist of the minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination; therefore, the Project is considered categorically exempt from CEQA, and a Notice of Exemption has been prepared and will be filed with the Riverside County Clerk. A copy of the Notice of Exemption is included as **Attachment 3**.

FISCAL IMPACT:

A total of \$150,000 was previously budgeted for the Project from the Measure J Capital Improvement Project Fund (Fund 260) for two entry way sign installations. On September 17, 2014, the City Council directed staff to add two more entry way sign installations, for a total of four entry way signs. After deducting incurred expenditures for administrative and design costs, a balance of \$128,646 remained available for the Project with an estimated construction cost of \$270,000. As reported to the City Council on July 1, 2015, an additional appropriation of approximately \$173,000 was anticipated to fully fund the Project.

On September 24, 2015, the Measure J Commission reviewed the status of several pending capital projects funded through the Measure J Capital Improvement Fund. At that time, staff reported a budget shortfall of \$366,354 to include sufficient budget for award of the contract and construction support/administration services. The Measure J Commission did vote to recommend that the City Council appropriate an additional budget of \$366,354 from the contingency reserve fund held in the Measure J Unscheduled Capital Projects, Account No. 260-4500-50000, for the Project. Currently, the balance in this Account is \$1,388,833.

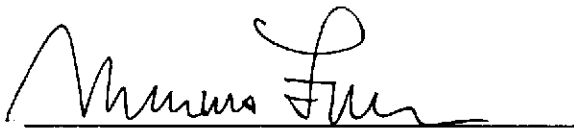
Staff recommends that the City Council approve the additional budget of \$366,354 from the contingency reserve fund to be appropriated to the Project in Account No. 260-4500-59439. On the basis of this additional appropriation, the Project budget and estimated expenditures are identified in Table 1.

Table of Project Costs	Amount
FY 13/14 Measure J Fund	\$150,000
FY 15/16 Budget Appropriation (Measure J)	\$366,354
Design Services	(\$19,798)
Project Administration (through 9/30/15)	(\$2,841)
Project Administration (Estimated)	(\$5,000)
Construction Inspection (Estimated)	(\$15,000)
Construction Contract	(\$450,000)
Construction Contingency	(\$20,000)
Remaining Balance	\$3,715

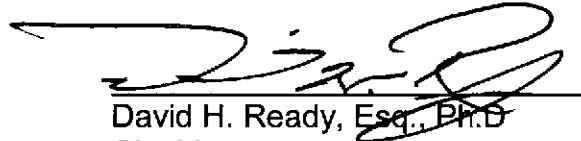
Table 1

With the City Council's approval of the additional budget appropriation of \$366,354 from the Measure J Capital Improvement Fund contingency reserve, sufficient funding will be available in Account No. 260-4500-59439 to award the contract.

SUBMITTED:



Marcus L. Fuller, MPA, P.E., P.L.S.
Assistant City Manager/City Engineer



David H. Ready, Esq., Ph.D.
City Manager

Attachments:

1. Bid Summary
2. Construction Contract
3. CEQA Notice of Exemption

ATTACHMENT 1

PALM SPRINGS ENTRY WAY SIGNS, CITY PROJECT NO. 13-31

BID SUMMARY

Bid Opening: September 3, 2015

BID SCHEDULE "A"	QUANT.	UNIT	HIGH LIGHT ELECTRIC	ATOM ENGINEERING
ENTRY SIGN NO. 1: E. PALM CANYON DR AT GENE AUTRY TR				
DESCRIPTION				
The Work includes the fabrication and installation of a new "Palm Springs" monument sign within a new median island, new irrigation, landscaping, lighting and electrical system improvements identified for "Sign No. 1," located on E. Palm Canyon Drive immediately west of Gene Autry Trail, as identified on Sheets L-2.0, L-3.0, E1.0, E2.0, S-1, S1.1, and S-2 of the Drawings, and all other applicable General Notes, details, and associated information shown on the Drawings. The Work shall include construction of a new median island, requiring the sawcut and removal of existing asphalt concrete pavement extending a minimum of 2 foot beyond the face of new median curb, construction of Type A2 (8") curb, import and installation of planting soil within the new median island to a depth of 2" below top of curb, with 12" landscape mound, and installation of five (5) various sized landscape boulders as shown on the Drawings.	1	LS	\$145,000.00	\$125,000.00

BID SCHEDULE "B"	QUANT.	UNIT	HIGH LIGHT ELECTRIC	ATOM ENGINEERING
ENTRY SIGN NO. 2: DINAH SHORE DR AT CROSSLEY RD				
DESCRIPTION				
The Work includes the fabrication and installation of a new "Palm Springs" monument sign within an existing median island, modification of existing irrigation system, installation of new landscaping, lighting and electrical system improvements identified for "Sign No. 2," located on Dinah Shore Drive east of Crossley Road, as identified on Sheets L-2.1, L-3.1, E1.0, E2.0, S-1, S1.1, and S-2 of the Drawings, and all other applicable General Notes, details, and associated information shown on the Drawings. The Work shall include import and installation of planting soil within the existing median island to construct a 12" landscape mound, and installation of five (5) various sized landscape boulders as shown on the Drawings.	1	LS	\$115,000.00	\$126,000.00

BID SCHEDULE "C"	QUANT.	UNIT	HIGH LIGHT ELECTRIC	ATOM ENGINEERING
ENTRY SIGN NO. 3: RAMON RD AT SAN LUIS REY DR				
DESCRIPTION				
The Work includes the fabrication and installation of a new "Palm Springs" monument sign within an existing median island, modification of existing irrigation system, installation of new landscaping, lighting and electrical system improvements identified for "Sign No. 3," located on Ramon Road west of San Luis Rey Drive, as identified on Sheets L-2.2, L-3.2, E1.0, E2.0, S-1, S1.1, and S-2 of the Drawings, and all other applicable General Notes, details, and associated information shown on the Drawings. The Work shall include import and installation of planting soil within the existing median island to construct a 12" landscape mound, and installation of five (5) various sized landscape boulders as shown on the Drawings.	1	LS	\$130,000.00	\$204,398.00

BID SCHEDULE "D"	QUANT.	UNIT	HIGH LIGHT ELECTRIC	ATOM ENGINEERING
ENTRY SIGN NO. 4: INDIAN CANYON DR AT TRAMVIEW RD				
DESCRIPTION				
The Work includes the fabrication and installation of a new "Palm Springs" monument sign within an existing median island, new irrigation, landscaping, lighting and electrical system improvements identified for "Sign No. 4," located on Indian Canyon Drive north of Tramview Road, as identified on Sheets L-2.3, L-3.3, E1.0, E2.0, S-1, S1.1, and S-2 of the Drawings, and all other applicable General Notes, details, and associated information shown on the Drawings. The Work shall include import and installation of planting soil within the existing median island to construct a 12" landscape mound, and installation of five (5) various sized landscape boulders as shown on the Drawings. The Work shall also include the removal and salvage of the existing "Palm Springs" monument sign located on Indian Canyon Drive south of Tramview Road; the existing sign backboard and lettering shall be carefully disassembled, wrapped, labeled, packaged, and delivered on a protected palette to the City Yard at 425 N. Civic Drive.	1	LS	\$60,000.00	\$112,000.00

TOTAL =	\$450,000.00	\$567,398.00
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1	2
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ATTACHMENT 2

**AGREEMENT
(CONSTRUCTION CONTRACT)**

THIS AGREEMENT made this ____ day of _____, 20__, 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 _____ 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

For and in consideration of the payments and agreements to be made and performed by City, Contractor agrees to furnish all materials and perform all work required to complete the Work as specified in the Contract Documents, and as generally indicated under the Bid Schedule(s) for the Project entitled:

**PALM SPRINGS ENTRY SIGNS
CITY PROJECT NO. 13-31**

The Work includes fabrication and installation of four new "Palm Springs" monument signs, with associated landscaping, lighting and electrical system improvements; removal and salvage of an existing "Palm Springs" monument sign; and all other appurtenant 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 the Notice to Proceed.

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 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 specified in Section 6-9 of the Special Provisions for each calendar day that expires after the time specified in Article 2, herein. In executing the Agreement, the Contractor acknowledges it has reviewed the provisions of the Standard Specifications, as modified herein, related to liquidated damages, and has made itself aware of the actual loss incurred by the City due to the inability to complete the Work within the time specified in the Notice to Proceed.

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 Proposal and Bid Schedule(s), and any duly authorized Construction Contract Change Orders approved by the City. The amount of the initial contract award in accordance with the Contractor's Bid Proposal is **Four Hundred Fifty Thousand Dollars (\$450,000)**.

Contractor agrees to receive and accept the prices set forth herein, as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the Work during its progress or prior to its acceptance including those for well and faithfully completing the Work and the whole thereof in the manner and time specified in the Contract Documents; and, also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the Work, suspension of discontinuance of the Work, and all other unknowns or risks of any description connected with the Work.

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, the accepted Bid and Bid Schedule(s), List of Subcontractors, Local Business Preference Program – Good Faith Efforts, Non-Discrimination Certification, Non-Collusion Declaration, 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 01 to 02, inclusive, and all Construction Contract 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 -- MUTUAL OBLIGATIONS

For and in consideration of the payments and agreements to be made and performed by the City, the Contractor agrees to furnish all materials and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents.

City hereby agrees to employ, and does hereby employ, Contractor to provide the materials, complete the Work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the Contract Price herein identified, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the Contract Documents.

Contractor specifically acknowledges and agrees to be bound by the Wage Rates and Labor Code requirements specified in the Contract Documents, including the requirement to furnish electronic certified payroll records directly to the Labor Commissioner (via the Division of Labor Standards Enforcement), and shall pay the general prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations of the State of California.

ARTICLE 6 -- PAYMENT PROCEDURES

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

ARTICLE 7 -- NOTICES

Whenever any provision of the Contract Documents requires the giving of a written Notice between the parties, 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 8 -- INDEMNIFICATION

The Contractor agrees to indemnify and hold harmless the City, and all of its officers and agents from any claims, demands, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the Work undertaken by the Contractor hereunder. This Article 8 incorporates the provisions of Section 7-15 "Indemnification," of the Special Provisions, which are hereby referenced and made a part hereof.

ARTICLE 9 -- NON-DISCRIMINATION

The Contractor represents and agrees that it does not and will not discriminate against any subcontractor, consultant, employee, or applicant for employment because of race, religion, color, sex, or national origin in any matter including without limitation employment upgrading, demotion, transfers, recruitment, recruitment advertising, layoff, termination, rates of pay, or other forms of compensation and selection for training, including apprenticeship.

ARTICLE 10 -- 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.

SIGNATURES ON NEXT PAGE

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

**CITY OF PALM SPRINGS,
CALIFORNIA**

APPROVED BY THE CITY COUNCIL:

By _____
David H. Ready
City Manager

Date _____

Agreement No. _____

ATTEST:

By _____
James Thompson
City Clerk

APPROVED AS TO FORM:

By _____
Douglas Holland
City Attorney

RECOMMENDED:

By _____
Marcus L. Fuller, PE, PLS
Assistant City Manager/City Engineer

CONTRACTOR

By: _____
Firm/Company Name

By: _____
Signature (notarized)

By: _____
Signature (notarized)

Name: _____

Name: _____

Title: _____

Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

(This Agreement must be signed in the above space by one having authority to bind the Contractor to the terms of the Agreement.)

(This Agreement must be signed in the above space by one having authority to bind the Contractor to the terms of the Agreement.)

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.

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.

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

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

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary Signature:

Notary Signature:

Notary Seal:

Notary Seal:

ATTACHMENT 3

NOTICE OF EXEMPTION

To: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

From: City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Clerk of the Board
County of Riverside
P.O. Box 751
Riverside, CA 92502-0751

Project Title: Entry Way Sign Improvements, City Project No. 13-31

Project Applicant: City of Palm Springs

Project Location (Specific): Entry way signs at four (4) locations; S. Gene Autry Tr./E. Palm Canyon Dr., Dinah Shore Dr./Crossley Rd., E. Ramon Rd./San Luis Rey Dr., and N. Indian Canyon Dr./W. Tramview Rd.

Project Location (City): City of Palm Springs

Project Location (County): Riverside

Project Description: The scope of work is to install four (4) entry way signs on existing/proposed median islands within the roadway. Each sign shall consist of two (2) independent aluminum bridges with the word PALM on one and SPRINGS on the other, three (3) differently colored acrylic panels, vault for structural mountings, concrete foundations, and LED strip lighting. The installation will comprise of modifying/new irrigation and planting as well as electrical services connections.

Name of Public Agency Approving Project: City of Palm Springs

Name of Person or Agency Carrying Our Project: City of Palm Springs, Public Works & Engineering Department
3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262

Exempt Status: (check one)

- Ministerial (Sec. 21080(b) (1); 15268);
- Declared Emergency (Sec. 21080(b) (3); 15269(a));
- Emergency Project (Sec. 21080(b) (4); 15269 (b)(c));
- Categorical Exemption. State type and section number: 15303 Existing Facilities (Class 1), Minor alteration of existing public facilities; (c) – (Existing highways and streets)
- Statutory Exemptions. State code number:

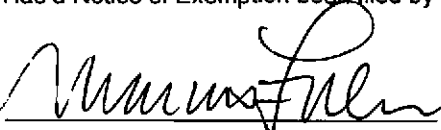
Reasons why project is exempt: Class 1 consists of the minor alteration of existing public structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Therefore, the Entry Way Sign Improvements, City Project No. 13-31, is considered categorically exempt from CEQA.

Lead Agency Contact Person: Savat Khamphou, P.E.

Area Code/Telephone/Extension: (760) 323-8253, ext. 8744

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature:  Date: 9/30/15 Title: Asst. Director of Public Works/Asst. City Engineer

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code

Date received for filing at OPR: _____

Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.