



COMMUNITY REDEVELOPMENT AGENCY
STAFF REPORT

DATE: May 27, 2009 NEW BUSINESS

SUBJECT: AWARD OF CONTRACT FOR THE SOUTH PALM CANYON DRIVE
WIDENING, CITY PROJECT NO. 05-03

FROM: David Barakian, Director of Public Works/City Engineer

BY: Public Works and Engineering Department

SUMMARY

The City of Palm Springs proposes the widening of South Palm Canyon Drive from two (2) to four (4) lanes between Murray Canyon Drive and Bogert Trail, including a widened bridge structure and associated improvements within Cherly Creek (Arenas Canyon North drainage channel). Award of this contract will allow staff to proceed with this project.

RECOMMENDATION:

- 1) Adopt Resolution No. _____, "A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS APPROVING AGREEMENT NO. _____ IN THE AMOUNT OF \$591,533.18 WITH G&M CONSTRUCTION FOR THE SOUTH PALM CANYON DRIVE WIDENING, CITY PROJECT 05-03;" and
- 2) Authorize the Assistant Executive Director or his designee to execute all necessary documents.

STAFF ANALYSIS:

On February 18, 2003, the Engineering Department submitted a grant application for Highway Bridge Replacement and Rehabilitation (HBRR) funding to the California Department of Transportation (Caltrans) for construction of a new 4-lane bridge crossing of the existing low-water crossing of the Arenas Canyon South Drainage channel at South Palm Canyon Drive near Bogert Trail. Upon review, Caltrans determined the City's application was eligible for federal funding through the HBRR

Program, provided that the City demonstrated that it was moving forward with funding and construction of the widening of South Palm Canyon Drive to four lanes.

Subsequently, on April 21, 2004, the Financing Authority, Community Redevelopment Agency and City Council, approved actions associated with the refinance of City of Palm Springs Financing Authority 1994 Series A & B Local Agency Revenue bonds. The City's actions associated with the refinancing of bonds generated \$5,000,000 for new projects, of which \$1,000,000 was identified for the widening of South Palm Canyon Drive to facilitate the City's HBRR grant application for a new bridge.

On April 5, 2006, the Community Redevelopment Agency awarded a Contract Services Agreement to Rick Engineering Company to provide the Agency with the environmental and civil engineering design services necessary to complete the construction documents (plans, specifications, and estimate) for this project. On September 19, 2007, the City Council adopted a Mitigated Negative Declaration for this project, in accordance with California Environmental Quality Act (CEQA).

The proposed project will widen South Palm Canyon Drive from two (2) to four (4) lanes between Murray Canyon Drive and Bogert Trail, including a widened bridge structure and associated improvements within Cherly Creek (Arenas Canyon North drainage channel).

On February 4, 2009, the Community Redevelopment Agency approved the plans and specifications and authorized construction bidding. On March 25 and April 1, 2009, the project was advertised for bids, and at 2:00 p.m. on May 5, 2009, the Procurement and Contracting Division received construction bids from the following contractors:

1. G&M Construction; Palm Springs, CA: \$591,533.18
2. KIP Incorporated; Murrieta, CA: \$657,420.00
3. Larry Jacinto Construction, Inc.; Redlands, CA: \$677,352.45
4. Hazard Construction Company; San Diego, CA: \$756,756.00
5. Granite Construction Company; Indio, CA: \$825,656.00
6. Contreras Construction Company; Indio, CA: \$849,790.45
7. LB Civil Construction, Inc.; San Diego, CA: \$875,313.30
8. Riverside Construction Company; Riverside, CA: \$881,001.15

The Engineer's Estimate was \$783,596.

The low bid was submitted by G&M Construction, a California corporation. The corporate officers are: George Marantz, President; and Dianne Marantz, Secretary/Treasurer.

This project was advertised with the new specification consistent with the recently adopted Local Business Preference Program (Ordinance No. 1756, Palm Springs Municipal Code Section 7.09.030), which requires that the prime contractor shall submit

evidence of 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. The low bid submitted by G&M Construction lists three sub-contractors, two of which are considered local businesses (Zoltan Paving in Whitewater, CA; and Buster Lawrence General Engineering Contractor in Palm Springs, CA). Staff considers that the low bid complies with the City's Local Business Preference Program, and recommends that the Agency award contract to G&M Construction.

FISCAL IMPACT:

Funding for this project is available through Community Redevelopment Agency funds, in account 811-8192-65171 (S. Palm Canyon Widening Bond).

SUBMITTED:



DAVID J. BARAKIAN
Director of Public Works/City Engineer



THOMAS J. WILSON
Assistant Executive Director

Attachments:

1. Resolution
2. Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS APPROVING AGREEMENT NO. _____ IN THE AMOUNT OF \$591,533.18 WITH G&M CONSTRUCTION FOR THE SOUTH PALM CANYON DRIVE WIDENING, CITY PROJECT 05-03

WHEREAS, the Community Redevelopment Agency of the City of Palm Springs, California, ("Agency"), is constituted under the Community Redevelopment Law (California Health and Safety Code Section 33000 (et. seq.) to carry out the purpose of redevelopment in the City of Palm Springs, ("City"); and

WHEREAS, pursuant to Section 33447 of the Community Redevelopment Law, the Agency may finance the construction of public improvements that will enhance the environment of residential neighborhoods containing housing for persons and families of low or moderate income, including very low income households; and that will be of benefit to the project area; and

WHEREAS, pursuant to Section 33447 of the Community Redevelopment Law, public improvements eligible for financing including street improvements; and

WHEREAS, on April 21, 2004, the City of Palm Springs Financing Authority, the Agency, and City Council of the City, approved certain actions associated with Merged Project No. 1 and Merged Project No. 2 Tax Allocation Bonds, establishing tax increment revenue specifically allocated to the construction of the South Palm Canyon Drive Widening.

WHEREAS, on February 4, 2009, the Agency approved the plans, specifications and estimate and authorized staff to bid the project; and

WHEREAS, on May 5, 2009, bids were received for the project.

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Agency hereby determines that G&M Construction is the lowest responsive bidder, and hereby approves Agreement No. _____ in the amount of \$591,533.18 with G&M Construction for the South Palm Canyon Drive Widening, City Project No. 05-03.

Section 2. The Assistant Executive Director of the Agency and/or his designee, is authorized to execute all necessary documents.

Resolution No.
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ADOPTED this 27th day of May, 2009.

Steve Pougnet, Chairman

ATTEST:

James Thompson, Assistant Secretary

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, Assistant Secretary of the Community Redevelopment Agency of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the Community Redevelopment Agency of the City of Palm Springs on May 27, 2009, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, Assistant Secretary
Community Redevelopment Agency of
the City of Palm Springs, California

AGREEMENT

THIS AGREEMENT made this ____ day of _____, 200__, by and between the Community Redevelopment Agency of the City of Palm Springs, a municipal corporation, hereinafter designated as the Agency, and G&M Construction, hereinafter designated as the Contractor.

The Agency 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:

SOUTH PALM CANYON DRIVE WIDENING CITY PROJECT NO. 05-03

The Work generally consists of the construction of roadway widening on South Palm Canyon Drive from Murray Canyon Drive to Acanto Drive, including: removal of existing improvements, construction of new Portland cement concrete improvements; construction of asphalt concrete paving; widening of structural bridge section; traffic signing and striping modification; and all appurtenant work as shown on the plans.

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 Agency, and the Work shall be fully completed within the time specified in the Notice to Proceed.

The Agency 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 Agency if the Work is not completed on time. Accordingly, instead of requiring any such proof, the Agency and the Contractor agree that as liquidated damages or delay (but not as a penalty), the Contractor shall pay the Agency the sum of \$1,350 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 Agency due to the inability to complete the Work within the time specified in the Notice to Proceed.

ARTICLE 3 -- CONTRACT PRICE \$591,533.18

The Agency 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 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 No. 01 to No. 02, 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 the Standard Specifications as amended by the Special Provisions. Applications for Payment will be processed by the Engineer or the Agency 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 Agency 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 Agency and the Contractor have caused this Agreement to be executed the day and year first above written.

ATTEST:
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF PALM
SPRINGS, CALIFORNIA

By _____
Assistant Secretary

APPROVED BY THE AGENCY:

Date _____

Resolution No. _____

Agreement No. _____

APPROVED AS TO FORM:

By _____
Agency Attorney

Date _____

CONTENTS APPROVED:

By _____
City Engineer

Date _____

By _____
Assistant Executive Director

Date _____

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: G & M Construction Check one: Individual Partnership Corporation
Address: 211 West Mesquite Avenue
Palm Springs, CA 92264

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: