

City of Culver City, California
Agenda Item Report

Meeting Date: 08/25/2014		Item Number: <u>PH-2</u>	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING – FOUR-FIFTHS VOTE REQUIREMENT: 1) Waiver of Bidding Procedures as Authorized by Culver City Municipal Code § 3.07.090; and 2) Award a Contract to Concept Consultant, Inc. in an Amount Not-To-Exceed \$98,391.70 (\$89,447 for the Base Contract and \$8,944.70 in Change Order Authority) for Construction of Culver City Transfer Station Loading Pit Structural Steel Repairs, PZ-948, Bid No. 1547.			
Contact Person/Dept.: Steven Finton/PW Damian Skinner		Phone Number: 310-253-6457 (310) 253-6421	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☒		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-mail) Agenda and Meetings – City Council (8/19/14); (E-Mail) Sustainability and Environmental Issues (8/19/14)			
Department Approval: Charles D. Herbertson (08/14/14)		City Attorney Approval: Carol Schwab (by H. Baker) (08/15/14)	
Chief Financial Officer Review: Jeff Muir (by M. Noller) (08/19/14)		City Manager Approval: John M. Nachbar (08/19/14)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: 1. Waive bidding procedures as authorized by Culver City Municipal Code (CCMC) §3.07.090 (Requires four affirmative votes.); 2. Award a construction contract to Concept Consultant, Inc. in the amount of \$89,447.00 for construction of the Culver City Transfer Station Loading Pit Structural Steel Repairs, PZ-948, Bid No. 1547 (the “Project”); and, 3. Authorize the Public Works Director/City Engineer to execute Change Orders in an amount not to exceed \$8,944.70 (10% of contract amount) to address unforeseen Project costs, if any. <u>BACKGROUND:</u> The City owns and operates a solid waste transfer station at 9255 Jefferson Boulevard. Solid waste and recycling collected by Public Works Department/Solid Waste and Recycling Division trucks is transferred to tractor/trailer transfer trucks at the facility for transit to area recycling centers or landfills. Roll-off service, green waste processing, recycled material handling and all other Refuse and Recycling Division functions are based at this facility. The transfer station is a two-story reinforced concrete structure constructed in 1984. City collection trucks dump their loads on the upper level tipping floor and wheel			

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loaders push the material through two openings (pits) in the tipping floor into transfer trucks parked in the tunnel on the lower level. Each pit opening is sized to the approximate dimensions of the transfer truck trailer. The near and right sides of the pits are reinforced concrete and the left and far sides are steel funnel structures attached to the concrete building structure which deflect the falling waste and recycling into transfer trucks below.

The existing steel funnel structures were constructed in 1984 and have been repaired from time to time over the years. They are currently deteriorated and deformed due to impact loads experienced many times daily. Additionally, existing connections to the concrete structure are showing cracks and distress. A significant repair is needed.

On June 23, 2014, City Council approved the plans and specifications for this Project and authorized staff to publish a Notice Inviting Bids. The Notice Inviting Bids was published in Culver City News on two occasions. Three potential bidders attended a pre-bid meeting conducted on July 16, 2014.

DISCUSSION:

This Project will modify and refurbish the steel funnel structures to enhance their function and condition. Much of the steel structural framework will remain in place but will be modified to avoid damage by loading operations. The surface steel plating will be increased in thickness to prevent damage and extend life and sheet metal panels will be added above the funnel structure to assure all debris will fall into the pit without being caught on the structure above. Additionally, cracks in connections to the concrete structure will be repaired through epoxy injection.

Bids

The following bids were received and opened on July 24, 2014.

<u>Bidder</u>	<u>Bid Amount</u>
1. Concept Consultant, Inc.	\$89,447.00
2. Titan Contracting Services	\$147,955.00
<i>Engineer's Estimate</i>	<i>\$80,000.00</i>

Concept Consultant, Inc. and subcontractors have verified successful experience with similar projects and their contractor's licenses are in order.

Waiver of Bidding Requirements

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Pursuant to CCMC § 3.07.090.C, the bidding of Public Works Projects of more than \$75,000 must comply with the formal bidding requirements set forth in CCMC §3.07.075. The bidding process followed by the Public Works Department on this Project complied with CCMC §3.07.075 in every respect: 1) The plans and specifications were approved by City Council; 2) the Notice Inviting Bids was published as required; and, 3) sealed bids were received and opened by the City Clerk on the date specified in the Notice Inviting Bids.

Both bids submitted, however, are technically non-responsive due to the extent of subcontracting proposed in the bids. The Project specifications require prime subcontractors to perform at least half of the work with their own forces. The low bidder proposes to perform 25% of the work with its own forces and the second low bidder proposes to perform 15% with its own forces. Both are below the 50% minimum.

The requirement for the prime contractor to perform at least 50% of the work (50% rule) comes from the Standard Specifications for Public Works Construction (Green Book). The Green Book has been incorporated into the City's Public Works contracts by reference and is well suited to infrastructure projects typically administered by the Public Works Department. When applied to building projects, however, the 50% rule of the Green Book is typically removed from bidding requirements due to higher subcontractor use experienced in building projects. On this Project, the City did not remove the 50% rule, and neither bidder was aware that the rule remained.

Staff believes that it is the City's best interest to waive the 50% rule, as contained in the bid specifications, and award a contract to the low bidder, Concept Consultant, Inc., for the following reasons:

1. The low bid is within budget and rebidding would likely result in higher costs.
2. The Project is time sensitive. Rebidding the Project would add at least two months to the schedule and would delay another project to replace truck scales which is currently in contract negotiations.
3. Other eligible bidders, who did not submit bids, indicated that the 50% rule was not a factor in their decision not to submit a bid.
4. The bid submitted by Concept Consultant, Inc. is responsive in every other respect, and all other City bidding protocols were met.

Pursuant to CCMC §3.07.090.E, in order to award a contract to Concept Consultant, Inc., the City Council (by four affirmative votes) would need to waive the formal bidding requirements (specifically, compliance with the 50% rule, as required by the bid specifications), at a public hearing held on the award of the contract.

In compliance with the 10-day notification requirement set forth in CCMC §3.07.090. E, a notice of this public hearing was duly published in the August 14, 2014 edition of *Culver City News*.

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FISCAL ANALYSIS:

Sufficient funding is available in the Capital Improvement Program, Refuse Improvements, Project No. PZ-948, Transfer Station Improvements.
(Account No. 20280000.730100.PZ948)

ATTACHMENTS:

None.

MOTIONS:

That the City Council:

1. Waive bidding procedures as authorized by Culver City Municipal Code §3.07.090 (requires four affirmative votes); and,
2. Award a construction contract to Concept Consultant, Inc. in the amount of \$89,447.00 for construction of the Culver City Transfer Station Loading Pit Structural Steel Repairs, PZ-948, Bid No. 1547; and,
3. Authorize the Public Works Director/City Engineer to approve change orders in an amount not-to-exceed \$8,944.70 (10% of contract amount) to address unforeseen project costs, if any; and,
4. Authorize the City Attorney to review/prepare the necessary documents; and,
5. Authorize the City Manager to execute such documents on behalf of the City.