



# City of Culver City

## Staff Report

File #: 22-47, Version: 1

Item #: PH-2.

**CC- PUBLIC HEARING: (1) FOUR-FIFTHS VOTE REQUIREMENT: Waiver of Formal Bid Procedures and Award of a Construction Contract to Cal-Stripe, Inc. in the Amount of \$253,157.95 for the Street Construction of the MOVE Culver City Downtown Corridor Project PS017; (2) FOUR-FIFTHS VOTE REQUIREMENT: Waiver of Formal Bid Procedures and Award of a Construction Contract with Crosstown Electrical & Data, Inc. in the Amount Not-to-Exceed \$236,462 for the Traffic Signal Materials and Installation; (3) Authorization to the City Manager to Negotiate and Approve the Final Terms of the Contract with Crosstown Electrical & Data, Inc.; (4) Authorization to the Chief Transportation Officer to Approve Change Orders to the Contracts in an Aggregate Amount Not-to Exceed \$529,000 to cover Contingency Costs (20%) and Anticipated Costs for Westbound Culver Boulevard Construction and Potential Post-Go Live Adjustments; and (5) FOUR-FIFTHS VOTE REQUIREMENT: Approval of a Budget Transfer in the Amount of \$1,016,809.13 and a Budget Amendment in the Amount of \$495 to Bridge the Gap in Project Funding for the Construction.**

**Meeting Date:** July 12, 2021

**Contact Person/Dept:** Diana Chang / Transportation Department

**Phone Number:** (310) 253-6566

**Fiscal Impact:** Yes  No

**General Fund:** Yes  No

**Public Hearing:**  Action Item:

**Attachments:**

**Commission Action Required:** Yes  No  **Date:**

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (07/07/2021)

**Department Approval:** Rolando Cruz (07/01/2021)

### **RECOMMENDATION**

Staff recommends the City Council (1) waive the formal bidding requirements and award a construction contract to Cal-Stripe, Inc. in the amount of \$253,157.95 for the street construction of the MOVE Culver City Downtown Corridor Project PS017, pursuant to Culver City Municipal Code (CCMC) Section 3.07.090.E (**requires a four-fifths vote**); (2) waive the formal bidding requirements and award a construction contract with Crosstown Electrical & Data, Inc. in an amount not-to-exceed \$236,462 for the traffic signal materials and installation, pursuant to CCMC Section 3.07.090.E (**requires a four-fifths vote**); (3) authorize the City Manager to negotiate and approve the final terms

of the contract with Crosstown Electrical & Data, Inc.; (4) authorize the Chief Transportation Officer to approve change orders to the contracts in an aggregate amount not-to-exceed \$529,000 to cover contingency costs (20%) and anticipated costs for westbound Culver Boulevard construction and potential post-go live adjustments; and (5) approve a budget transfer in the amount of \$1,016,809.13 and a budget amendment in the amount of \$495 to bridge the gap in project funding for the construction (**requires a four-fifths vote**).

## **PROCEDURE**

1. Mayor seeks motion from City Council to receive and file the affidavits of publication and posting of notices and correspondence received in response to the public hearing notices; and,
2. Mayor calls on staff for a brief staff report and City Council poses questions to staff as desired; and,
3. Mayor seeks a motion to open the public hearing; and
4. Mayor seeks a motion to close the public hearing after all public testimony has been presented; and,
5. The City Council discusses the item and arrives at its decision.

## **BACKGROUND**

On June 14, 2021, the City Council authorized the rejection of the bid of Elecnor Belco Electric Inc. (Belco) as the sole bidder in response to Bid 2124 for the MOVE Culver City Downtown Corridor Project PS017 (Project), including street striping and installation of delineators, signs and traffic signals. The rejection of the bid was authorized pursuant to CCMC Sections 3.07.075.F.1 and 3.07.090.E, as the costs proposed in the bid were significantly higher than the independent cost estimate and surpassed the City's budget.

The City Council further authorized the City Manager to negotiate the bid with Belco and other contractors on behalf of the City, requesting staff to return to City Council at a public hearing to award the resulting negotiated contract without complying with formal bid procedures, per CCMC Section 3.07.090.E (**four-fifths vote requirement**). During the negotiations, staff was instructed to work on the implementation of the westbound Culver Boulevard segment of the Project being designed and to consider the timeline for implementation.

The City Council also waived the bidding requirements on the material procurements per CCMC Section 3.07.075.F.3. and authorized the staff to negotiate and issue various purchase orders for Project materials with a total procurement amount not-to-exceed \$400,000 to shorten the delay resulting from longer than anticipated material lead times. Staff has purchased materials for the striping portion, but the team experienced significant challenges to procure traffic signal equipment due to the complexity of the Project signal equipment required for the Project as well as the current market high demand and limited supply for such equipment.

## **DISCUSSION**

Subsequent to the City Council authorization, staff negotiated with Belco and could not come to a consensus on price and terms. Belco subsequently withdrew their bid. Given the complexity of the Project, staff has determined that it is best to split the scope of work into two contracts (one for striping and one for traffic signal construction) in order to receive more cost proposals. Staff reached out to more than 100 contractors to solicit competitive quotes and received submittals from five contractors as listed in the sections below.

### **Striping Contractor**

The City received three quotes for the striping. Staff determined Cal-Stripe, Inc. quoted the lowest price. Staff conducted reference checks and received positive feedback that Cal-Stripe, Inc. performed satisfactory work for other agencies. Cal-Stripe Inc.'s quoted amount (labor only) is \$253,157.95.

### **Traffic Signals Contractor**

The City requested the contractors provide competitive quotes for both labor and materials and received two quotes. As the signal work is technically complex, staff determined that the procurement of materials should be done by the contractor instead of the City in order to minimize the risk of delays and complications to the overall Project. Staff determined Crosstown Electrical & Data, Inc. quotes the lowest price. Reference checks were conducted and staff concluded that Crosstown Electrical & Data, Inc. has the capacity to fulfill the contract. Crosstown Electrical & Data, Inc.'s quoted cost (labor and material) is \$236,462.00.

Staff believes that both Cal-Stripe, Inc. and Crosstown Electrical & Data, Inc. will bring sufficient experience to the Project implementation, both in terms of firm experience and knowledge of personnel involved. Both firms have years of experience working on construction projects related to striping and traffic signals construction.

### **Construction Work for Westbound Culver Blvd in Downtown**

Staff was instructed to work on the implementation of the westbound Culver segment of the Project (currently being designed) and to consider the timeline for implementation. The design plans are currently underway and are anticipated to be finalized in August 2021. The implementation for Westbound Culver Boulevard will be part of the Project go-live if design plans are finalized on time and there is no delay on Project materials production and delivery. The contractors are informed of the anticipated inclusion of Westbound Culver construction in the Project and will be ready for construction when plans are finalized and materials are delivered.

## **FISCAL ANALYSIS**

The total cost (base scope plus contingency) for the construction contracts seeking City Council authorization is estimated at an amount not-to-exceed \$1,018,619.95 (up to \$489,619.95 for the base

construction contracts and \$529,000 to cover unanticipated Project costs, the costs for westbound Culver Boulevard construction, and potential post go-live adjustments. These costs are listed in the table below as Items 1-3. The table below also lists additional previously approved project construction costs (Items 4-7) and the total anticipated project construction cost for both this proposed authorization and the previously authorized expenditures.

Anticipated Project Construction Costs

1	Main Project Striping Labor (Cal-Stripe, Inc.) - Base	\$253,157.95	
2	Main Project Signal Labor & Materials (Crosstown Electrical & Data, Inc.) - Base	\$236,462.00	
3	Contingency	\$529,000.00	
	- 20% striping labor		\$50,631.59
	- 20% signal labor & materials		\$47,292.40
	- WB Culver striping/signal works		\$331,076.01
	- Post go live striping/signal modification	\$100,000.00	
4	Bus Bike Platform	\$526,923.17	
5	Main Project Striping Materials	\$250,000.00	
6	Asphalt Art Curb Extensions & Crosswalks	\$66,740.80	
7	Construction Management & Inspection	\$115,000.00	
<b>Total Anticipated Construction Costs</b>		<b>\$1,977,283.92</b>	

Current Available Budget for the Project Construction

1	Transportation Measure M MSP (Account #20380000.732120.PS017)	\$742,495.00
2	Federal Transit Fund (Account # 2038000.732120.PB009)	\$217,979.78
3	PW Measure M (Account #43580000730100.PF024 - Expo-Downtown Bicycle Connector Project)	\$600,000.00
4	PW Measure M (Account #43580000730100 - Metro Bikeshare) <sup>1</sup>	\$416,809.13

**Total Current Budget for Construction \$1,977,283.92**

<sup>1</sup> MAT grant is anticipated to be used to replenish the PW Measure M Metro Bikeshare Program when the reimbursement is received.

There is sufficient funding to cover the total Project construction cost. The funding for the construction work includes federal transit fund, Measure M funds (Transportation and Public Works) and a Metro Active Transportation Program grant. The Metro Active Transportation Program grant

money is not currently programmed in the budget, but the City has received permission to spend ahead (Letter of No Prejudice) and when the grant money is received it will be used to replenish the Public Works Measure M funds used for the Project.

Currently, the Project has \$959,979.79, (funding sources #1 and #2 in the table above) in authorized funding under the construction budget. Staff is recommending a budget amendment in the amount of \$495 to account #20380000.732120.PS017 for a total budget of \$960,474.79 for funding sources #1 and #2. **(budget amendment requires four-fifths vote).**

Staff is recommending a budget transfer in the amount of \$1,016,809.13 (funding sources #3 and #4 in the table above) from the Expo-Downtown Bicycle Connector Project and the Metro Bikeshare Program into Account#20380000.732120.PS017 to bridge the gap in project funding. It is the City's intent to defund the Expo-Downtown Bicycle Connector Project (Account #43580000730100.PF024) for \$600K and transfer the funds to the MOVE Culver City project. However, the budget of \$416,809.13 for Metro bikeshare program (Account #43580000730100 - Metro Bikeshare) will be replenished once the City is in receipt of the Metro Active Transportation Program grant fund.

## **ATTACHMENTS**

None.

## **MOTIONS**

That the City Council:

1. Waive formal competitive bidding procedures, pursuant to CCMC Section 3.07.090.E, and award a construction contract to Cal-Stripe, Inc. in the amount of \$253,157.95 for the street construction of the MOVE Culver City Downtown Corridor Project PS017 (requires a four-fifths vote);
2. Waive formal competitive bidding procedures, pursuant to CCMC Section 3.07.090.E, and award a construction contract with Crosstown Electrical & Data, Inc. in an amount not-to-exceed \$236,462 for the traffic signal materials and installation (requires a four-fifths vote);
3. Authorize the City Manager to negotiate and approve the final terms of the contract with Crosstown Electrical & Data, Inc.;
4. Authorize the Chief Transportation Officer to approve change orders to the contracts in an aggregate amount not-to-exceed \$529,000 to cover contingency costs (20%) and anticipated costs for westbound Culver Boulevard construction and potential post-go live adjustments;
5. Approve a budget transfer in the amount of \$1,016,809.13 and a budget amendment in the amount of \$495 to bridge the gap in Project funding for the construction (requires a four-fifths vote);

6. Authorize the City Attorney to review/prepare the necessary documents; and
7. Authorize the City Manager to execute such documents on behalf of the City.