



City of Huntington Beach

File #: 19-381

MEETING DATE: 5/20/2019

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Lori Ann Farrell Harrison, Interim City Manager

PREPARED BY: Travis K. Hopkins, PE, Director of Public Works

Subject:

Accept bid and authorize execution of a construction contract with Elecnor Belco Electric, Inc. in the amount of \$320,055 for the traffic signal modification at the intersection of Gothard Street and Center Avenue - CC-1489; and, appropriate Traffic Impact funds for construction and authorize change orders not to exceed 15 percent

Statement of Issue:

On November 8, 2018, bids were opened for the traffic signal modification at the intersection of Gothard Street and Center Avenue. City Council action is requested to award the contract to Elecnor Belco Electric, Inc., the lowest responsive and responsible bidder.

Financial Impact:

The total estimated project cost is \$531,154. Grant funds expenditures to date total \$1,781 and matching fund expenditures to date total \$1,299. Funds in the amount of \$459,573 are available in HSIP Grant account 99590003.82700. Funds in the amount of \$23,292 are available in Gas Tax account 20790046.82600 for a portion of the City's match. For the remaining match, staff is requesting an appropriation of \$45,209 from the undesignated Traffic Impact Fee (TIF) fund balance to account 20690007.82700. The additional funds over the construction contract costs will be used for city-furnished equipment purchases and costs not reimbursable through the grant program.

Recommended Action:

- A) Accept the lowest responsive and responsible bid submitted by Elecnor Belco Electric, Inc. in the amount of \$320,055; and,
- B) Appropriate \$45,209 from the undesignated Traffic Impact Fee fund balance to Traffic Impact Fee account 20690007.82700; and,
- C) Authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and,

D) Authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the contract construction costs or \$48,008.

Alternative Action(s):

Reject all bids and provide staff with alternative direction.

Analysis:

The City applied for grant funding for a traffic signal modification under the federal Highway Safety Improvement Program (HSIP). The intersection of Gothard Street and Center Avenue was identified for the installation of north-south left turn arrows based on the recent collision history. The grant application was approved and engineering and construction funds were subsequently approved.

The project was included in the FY 2018/19 Capital Improvement Program as a continuing project. Due to construction cost increases and the significant increase in material costs, especially steel products, the originally budgeted funds are not adequate to complete construction. The federal funding commitment increased by \$103,854 to a total of \$461,354, and additional local funding is needed to fully fund the improvements.

The improvements at the intersection of Gothard Street and Center Avenue include replacement of most major traffic signal components, the addition of left turn arrows for northbound and southbound traffic, the reconstruction of curb ramps, the reconstruction of the Golden West College driveway to provide for pedestrian accessibility, and the installation of traffic signal interconnect cable along Gothard Street from McFadden Avenue to Edinger Avenue and along Center Avenue from Gothard Street to the traffic signal at One Pacific Plaza.

A complete set of plans and specifications are available for review at the Public Works counter during normal business hours.

Bids were opened on November 8, 2018, and are listed in ascending order:

	Bidder	Submitted Bid
1	Elecnor Belco Electric, Inc.	\$320,055.00
2	Alfaro Communications Construction, Inc.	\$321,995.00
3	California Professional Engineering, Inc.	\$342,409.35
4	STL Landscape	\$343,749.00
5	Dynalectric	\$357,321.00
6	International Line Builders	\$386,760.00
7	Calpromax Engineering, Inc.	\$398,560.00
8	Sturgeon Electric	\$422,358.72
9	DBX, Inc.	\$426,495.00

The total estimated cost of this project is \$531,154 which includes the City's direct purchase of all major equipment which is estimated at approximately \$110,000. This practice ensures consistency of equipment among the traffic signals and street lighting maintained by the City. Direct purchase also provides the added benefit of reduced costs to the City due to elimination of contractor mark-ups, typically in excess of 20 percent on this type of equipment.

Estimated Construction Costs

Bid	\$320,055
15% construction contingency	\$48,008
City furnished equipment	\$110,000
Construction administration/material testing	<u>\$53,091</u>
Total	\$531,154

Federal grant funds totaling approximately \$461,354 are anticipated to be received with a total of \$69,800 of Gas Tax and TIF funds required to provide the grant matching funds and to fund the items ineligible for federal reimbursement. These ineligible items include some of the construction.

Funding Summary

Grant funds available	\$459,573
Grant funds encumbered or spent to date	\$1,781
Matching funds expended to date	\$1,299
Match available	\$23,292
Match appropriation required	<u>\$45,209</u>
Total estimated project cost	\$531,154

Staff is requesting that the Director of Public Works be given authorization to approve change orders on this project up to 15 percent of the construction cost rather than the standard 10 percent. The request equates approximately to the typical 10 percent contingency based on the total of the construction contract and the materials purchased by the City. This authorization will provide the added flexibility needed to complete a typical construction project yet still be consistent with the intent of the 10 percent limit.

Public Works Commission Action: The Public Works commission recommended this project on May 16, 2018, by a vote of 4-0-3 (Carr, Mulvihill and Stanford absent).

Environmental Status:

This project is categorically exempt pursuant to the California Environmental Quality Act, Section 15303 (c).

Strategic Plan Goal:

Enhance and maintain infrastructure

Attachment(s):

1. Project Location Map.