



# City of Huntington Beach

File #: 19-451

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 Calpromax Engineering, Inc. in the amount of \$229,000 for the traffic signal modification at the intersection of Newland Street and Slater Avenue - CC-1490; and, appropriate Traffic Impact funds for construction and authorize change orders not to exceed 15 percent**

**Statement of Issue:**

On February 20, 2019, bids were opened for the traffic signal modification at the intersection of Newland Street and Slater Avenue. City Council action is requested to award the contract to Calpromax Engineering, Inc., the lowest responsive and responsible bidder.

**Financial Impact:**

The total estimated project cost is \$452,350. Grant fund expenditures to date total \$378 and matching fund expenditures to date total \$126. Funds in the amount of \$304,722 are available in Highway Safety Improvement Program (HSIP) grant Account No. 99590007.82700. Funds in the amount of \$34,974 are available in Gas Tax Account 20790047.82700 for a portion of the City's match. For the remaining match, staff is requesting an appropriation of \$112,150 from the undesignated Traffic Impact Fee 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 Calpromax Engineering, Inc. in the amount of \$229,000; and,

B) Appropriate \$112,150 of undesignated Traffic Impact funds to Traffic Impact project 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 \$34,350.

**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 Newland Street and Slater Avenue was identified for the installation of left turn arrows based on their 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, therefore, additional local funding is required.

This project, at the intersection of Newland Street and Slater Avenue, consists of installing left turn arrows for all four directions of traffic.

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

Bids were opened on February 20, 2019, and are listed in ascending order:

<b>Bidder</b>	<b>Submitted Bid</b>
1 Calpromax Engineering, Inc.	\$229,000.00
2 Elecnor Belco Electric, Inc.	\$248,624.00
3 PTM General Engineering Services, Inc.	\$256,056.00
4 Select Electric, Inc.	\$268,472.00
5 Dynalectric, Inc.	\$272,825.00
6 Alfaro Communications Construction, Inc.	\$275,670.00
7 Comet Electric, Inc.	\$285,550.00
8 California Professional Engineering, Inc.	\$296,331.00
9 DBX, Inc.	\$298,915.00
10 Crosstown Electrical and Data, Inc.	\$306,638.00

The total estimated cost of this project is \$452,350 which includes the City's direct purchase of all major equipment which is estimated at approximately \$125,000. 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	\$229,000
15% construction contingency	\$34,350
City furnished equipment	\$125,000
SCE fees	\$9,000
Construction administration	\$30,000
Material testing	\$25,000
<b>Total</b>	<b>\$452,350</b>

Federal grant funds totaling approximately \$305,100 are anticipated to be received with a total of \$147,250 required to provide the matching grant funds and to fund the items not eligible for federal reimbursement. These ineligible items include some of the construction administration tasks such as material testing and monitoring for labor compliance.

**Funding Summary**

Grant funds available	\$304,722
Grant funds encumbered or spent to date	\$378
Matching funds expended to date	\$126
Match available	\$34,974
Match appropriation required	<u>\$112,150</u>
<b>Total estimated project cost</b>	<b>\$452,350</b>

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