



Agenda Report

File #: 19-0299

**AGENDA REPORT
REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 4/3/2019

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Public Works Department
Department of Water and Power

SUBJECT:

City Council and Corona Utility Authority consideration to adopt the Plans and Specifications for the Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue, Project No. 2018-03 and award the bid.

RECOMMENDED ACTION:

That the:

1. City Council adopt the Plans and Specifications for the Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue Project, No. 2018-03.
2. City Council award the bid, NIB 19-019CA, to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Company, the lowest responsive, responsible bidder, for the total bid amount of \$895,092, and waive any and all minor irregularities in the bidding document as submitted by said bidder.
3. City Council authorize the City Manager, or their designee to execute the Construction Contract with Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Company in the amount of \$895,092, and approve necessary change orders up to twenty-five percent of the contract amount.
4. City Council authorize the Purchasing Manager to issue a purchase order to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Company in the amount of \$895,092.
5. City Council approve and authorize the City Manager, or their designees to execute a Cost Sharing Agreement with East 6th Street LP, a California Limited Partnership in the amount of

\$370,112 to reimburse the City for a portion of the Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue Project cost.

6. City Council approve an appropriation of \$50,000 within the Water Utility Fund (Fund 570) for an existing Capital Improvement Project titled "Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue."
7. City Council approve an appropriation and revenue estimate increase in the amount of \$450,000 within the Water Capacity Fund (Fund 507) for an existing Capital Improvement Project titled "Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue."
8. Corona Utility Authority (CUA) review, ratify, and to the extent necessary, direct the City Council to take the above actions.

ANALYSIS:

During the review of application Parcel Map (PM) 37022 and Conditional Use Permit (CUP) 15-007 of the low-income multi-family dwelling development located at 1040 East Sixth Street, the City determined that a 12-inch potable waterline in Sixth Street from East Grand Boulevard to Rimpau Avenue (WATER IMPROVEMENTS) would be necessary to meet the fire flow requirements for the development.

A condition of approval for PM37022 and CUP15-007 required East 6th Street LP (Developer) to enter into a Cost Sharing Agreement with the City to fund a portion of the WATER IMPROVEMENTS. The Developer would be responsible to fund the construction of the 12-inch potable waterline in Sixth Street from Rimpau Avenue to the westerly property limits of the development. The City would be responsible to construct the WATER IMPROVEMENTS and fund the construction of the 12-inch potable waterline in Sixth Street from East Grand Boulevard to the westerly property limits of the development. Based on the construction bid, the construction inspection, geotechnical observation and materials testing, labor compliance proposals, and an estimate of the City staff costs to manage construction of the project to completion, the Developer would be responsible for a fair share amount of 35 percent, currently estimated to be \$370,112. The Developer would provide additional funding towards any additional change orders.

The Federal Housing and Community Development Block funds that will be used to pay a portion of the project cost requires adherence to Federal Labor Standards Provisions, including compliance with federal prevailing wage requirements of the Davis-Bacon and Related Acts. The Department of Labor (DOL) issues Federal Wage Determinations (WDs) that must be incorporated into Bid and Contract Documents subject to federal funding, and contractors are required to comply with the higher of the state of California or federal prevailing wage rates. Near the end of the bid period, the DOL issued a new WD, Number CA 25, that should have been incorporated into the bid via addendum. Staff did not learn of the new WD until hours before the bid was due. It was too late to issue an addendum without delaying the bid opening and after discussions with the City's Community Development Block Grant (CDBG) consultant, it was determined WD Number CA 25 could be incorporated into the contract via a no cost change order if none of the labor classifications to be utilized by the contractor or his subcontractors on the project impacted the contractor's bid amount. Staff notified the apparent low bidder of the oversight and provided a copy of WD Number CA 25 to the contractor for review. The contractor notified the City there were no issues complying with WD Number CA 25. A no cost administrative change order will be prepared to incorporate the current (at

the time of bidding) Federal Wage Determination into the contract.

The project will include construction of approximately 2,000 linear feet of new 12-inch ductile iron waterline, including all necessary connections, services, fire hydrants, blow offs, valves, and related work in Sixth Street from the west side of Grand Boulevard to Rimpau Avenue. The project location and limits are shown on Exhibit "A."

The Plans and Specifications for this project were completed by KWC Engineers and reviewed by City staff, and are ready for adoption and award. The project was advertised pursuant to Corona Municipal Code requirements, and on February 26, 2019, five (5) bids were received from prequalified contractors and opened by City staff.

The following is a summary of the bid results and the Engineer's Estimate:

	Contractor	Location	Bid Schedule
	Engineer's Estimate		\$920,000
1	Ferreira Construction Co., Inc. dba/Ferreira Coastal Construction Co.	Rancho Cucamonga	\$895,092
2	Trautwein Construction, Inc.	Rancho Cucamonga	\$1,061,550
3	WA Rasic Construction	Long Beach	\$1,143,490
4	J.R. Filanc Construction Company, Inc.	Escondido	\$1,262,002
5	Norstar Plumbing & Engineering	Alta Loma	\$1,507,345

Staff reviewed all bids received and recommends awarding the contract based on the Bid Schedule for a total contract amount of \$895,092 to Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Company, as the lowest responsive, responsible bidder. All licenses and references for Ferreira Construction Co., Inc. dba Ferreira Coastal Construction Company have been reviewed and verified by City staff, and all other documentation is in order.

Construction is tentatively scheduled to commence in June 2019, with completion anticipated in August 2019.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

This project will achieve one of the City's six strategic plan goals of 1. Promote Public Safety; Objective C: Ensure adequate funding for investments and improvements in infrastructure that support public safety.

FISCAL IMPACT:

Approval of the recommended actions will result in an appropriation of \$50,000 within the Water Utility Fund (Fund 570) and an appropriation and revenue increase of \$450,000 within the Water Capacity Fund (Fund 507). The additional funding available allows for a contingency budget within the project.

Fund	07/01/18 Est. Working Capital	Budgeted Revenues/ Sources	Budgeted Expenditures/ Uses	Working Capital Impacts	06/30/19 Est. Working Capital
Water Capacity Fund (Fund 507)	\$ -	\$7,148,903	(\$1,470,135)	\$450,000 Revenue (\$450,000) Appropriation	\$5,678,768
Water Utility Fund (Fund 570)	\$8,250,694	\$54,053,213	(\$60,194,072)	(\$50,000) Appropriation	\$2,059,835

With approval of the recommended transfer and appropriation, funding for the “Sixth Street Waterline Extension - Grand Boulevard to Rimpau Avenue Project” will be available in the Fiscal Year 2018-19 Capital Improvement Project Budget as follows:

Fund Name	Fund	Project	Total
Water Capacity Fund	507	Sixth Street Waterline Extension - Grand to Rimpau	\$450,000
Water Utility Fund	570	Sixth Street Waterline Extension - Grand to Rimpau	\$774,325
Total Funding Available			\$1,224,325

ENVIRONMENTAL ANALYSIS:

This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to §21080.21 Application of Division to Public Right-of-Way Pipeline Projects Less than One Mile in Length, which exempts any project of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline. Therefore, no environmental analysis is required.

PREPARED BY: VERNON R. WEISMAN, P.E., DISTRICT ENGINEER

REVIEWED BY: TOM KOPER, P.E., ASSISTANT PUBLIC WORKS DIRECTOR

REVIEWED BY: NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: KIM SITTON, FINANCE MANAGER

REVIEWED BY: CITA LONGSWORTH, PURCHASING MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MICHELE NISSEN, ACTING CITY MANAGER

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Attachments:

1. Exhibit "A" - Location Map
2. Construction Contract
3. Cost Sharing Agreement