



City Council Agenda Report
Meeting Date: November 7, 2017
Department: Public Works

SUBJECT:

CONSTRUCTION CONTRACT AWARD FOR THE STREET IMPROVEMENTS AND UTILITIES FOR CIVIC CENTER DRIVE

RECOMMENDED ACTION(S):

1. Award a contract in the amount of \$3,419,352.00 to Boudreau Pipeline Corporation of Corona, California, for the street improvements on Civic Center Drive (PW 2015.30).
 2. Upon receipt of the executed contract documents from Boudreau Pipeline Corporation, reject all other bids received and authorize the return of the bid bonds.
 3. Authorize the Mayor to sign, and City Clerk to attest, the contract with Boudreau Pipeline Corporation, substantially in the form attached.
-

EXECUTIVE SUMMARY:

The City and the Irvine Ranch Water District (“IRWD”) entered into a Development Agreement that outlines the responsibilities of each party relative to the development of the future Civic Center Site. The Development Agreement specifies the delivery of a “buildable” pad and finished street improvements for the construction of the Civic Center by the “Owner” of the Serrano Summit development. Notwithstanding, the “Self-help” provisions of the Development Agreement allow the City to advance the work ahead of the owner to facilitate the City’s Civic Center development schedule. Under this scenario, the City receives reimbursement from the Owner for the cost of these improvements.

The City exercised the Self-help provision in cooperation with IRWD. The City worked with Michael Baker International (“MBI”) through its existing contract with IRWD to prepare engineered construction plans and specifications for bidding the Street, Storm Drain, and Utilities Improvement project. On September 28, 2017, the City received and opened four bids ranging from \$3,419,352.00 to \$4,057,300.00 with Boudreau Pipeline Corporation (“BPC”) being the low bidder. After reviewing the submitted bids and checking references, staff determined that BPC is the lowest responsive and responsible bidder. Staff recommends the approval of a contract with BPC for \$3,419,352.00. The Engineer’s Estimate for

the work was \$3,408,637.80. All costs for the Street Improvements and Utilities for the extension of Civic Center Drive are reimbursable per the Developer Agreement under the Self-help provisions.

BACKGROUND:

As approved in 2012, the Serrano Summit Area Plan originally provided for construction of a Civic Center on land dedicated to the City by IRWD through the Irrevocable Offer of Dedication (“IOD”) process. The land provided by IRWD is a requirement of its Development Agreement to deliver a “buildable pad” for the City’s use. The Second Amendment to the Development Agreement, approved by the City Council on November 15, 2016, enables the following:

1. Provides an additional 0.67 acres to the Civic Center site necessary to build the campus structures - namely a dedicated Senior Center, Community Center, Council Chamber/ Performing Arts Venue, Community Policing Center/ City Hall, and single-level parking deck structure.
2. Advances first phase construction activities (i.e., rough grading, street extension, construction of parking deck) to 2017.
3. Enables the City to directly oversee the preparation and certification of the Civic Center site pad and street extension (“Self-help Provision”).
4. Establishes timing of reimbursement for City advanced costs related to the development of rough graded pad and extension of (future) Civic Center Drive.

As part of the “Acceleration and Self-help Provisions” included in Section 4(4)(D) of the Developer Agreement, the City initiated the design and construction of the Civic Center site, including the extension of Indian Ocean Drive/Civic Center Drive. Staff worked with MBI through its existing contract with IRWD and prepared engineered construction plans and specifications for rough grading and currently the bidding of the Street, Storm Drain, and Utilities Improvement project. The rough grading project is nearly complete and the building pad for the parking deck was certified on October 27, 2017. The remainder of the rough grading and other certifications will be complete in November. The completion and certification allows the project to transition to the Street, Storm Drain, and Utilities Improvements for the extension of Indian Ocean Drive/Civic Center Drive.

DISCUSSION:

On September 8, 2017, and September 15, 2017, the City advertised the Street, Storm Drain, and Utilities Improvements for Civic Center Drive Request for Bid in the Saddleback Valley News and on the City's website. In addition, the City forwarded the bid documents to construction trade journals to provide notice to potential bidders for the project. On September 13, 2017, over 17 contractors and vendors attended a mandatory pre-bid meeting. Staff issued two addendums during the bid period.

On September 28, 2017, the City received and opened four bids. The bids ranged from \$3,419,352.00 to \$4,057,300.00 with BPC being the apparent low bidder. Staff reviewed and analyzed the bids for mathematical accuracy (Attachment 1). Staff discovered and corrected one minor mathematical error in the BPC bid resulting in an increase in the bid by \$240. However, the mathematical error did not affect the determination of the lowest apparent bidder or change the order of the bids. Staff examined the bids in detail comparing the unit price with the Engineer's Estimate and concluded that the contractors' bids are reasonable. The submitted bids are as follows:

Bidder	Bid Amount
1. Boudreau Pipeline Corporation	\$3,419,352.00*
2. Sukut Construction	\$3,596,540.50
3. Sully-Miller Contracting	\$3,929,000.00
4. Beador Construction Company	\$4,057,300.00
Engineer's Estimate	\$3,408,637.80
*Corrected Amount	

Staff checked on the provided references and BPC has successfully completed similar projects in Glendora, Eastvale, and Chino Hills with good results (Attachment 2).

Upon approval of the award of the construction contract, staff anticipates that the construction would begin in November 2017. The construction contract specifies 112 calendar days to complete the work with an anticipated completion in Spring 2018.

In accordance with the City's Contract and Purchasing Guidelines, the Finance

Department prepared the contract and the City Attorney's office reviewed and approved the agreement as to form (Attachment 3). The contract amount, based on the estimated quantities, is \$3,419,352. Section 3.3.4 of the contract authorizes the City Manager to approve extra work up to 10% to the contract amount (\$341,935). Additional work in excess of the 10% amount would require City Council approval.

The entire construction contract including the bid documents, contract, specifications, and plans, are available for review in the Office of the City Clerk and will be made available in the City Council Chambers before and during the City Council meeting, and on the City's website. For the City Council's reference, staff has attached the approved signed title sheets from the Street, Storm Drain, and Utilities Plans for the project (Attachment 4).

FISCAL IMPACT:

Sufficient funds have been approved in the 2017-2019 Capital Improvement Projects Budget for the Civic Center. All cost associated with the Street, Storm Drain, and Utilities Improvement project are reimbursable to the City per the approved Development Agreement under the Self-help provision. The source of funding for this project is Developer Impact Fees.

ATTACHMENTS:

1. Bid Analysis
2. Reference Check
3. Boudreau Pipeline Contract
4. Signed Title Sheet for Plans

Initiated By: Douglas A. Erdman, P.E., Engineering Manager/Assistant City Engineer
Submitted By: Thomas E. Wheeler, P.E., Director of Public Works / City Engineer
Approved By: Debra Rose, City Manager