



## Legislation Details (With Text)

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<b>On agenda:</b>	2/7/2023	<b>Final action:</b>			
<b>Title:</b>	CONSIDER AWARD OF A CONSTRUCTION CONTRACT TO R.J. NOBLE COMPANY FOR PROJECT NO. 1393-4: CITYWIDE ANNUAL OVERLAY PROGRAM AND PROJECT NO. 1411-4: CITYWIDE ANNUAL CONCRETE REPLACEMENT PROGRAM, MAIN STREET FROM CARSON STREET TO VICTORIA STREET, AND APPROVAL OF RESOLUTION NO. 23-034, "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2022-23 BUDGET IN THE SPECIAL REVENUE FUNDS" (CITY COUNCIL)				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. 1393-4 & 1411-4 - Exhibit 1 - Location Map, 2. 1393-4 & 1411-4 - Exhibit 2 - R.J. Noble Contract, 3. 1393-4 & 1411-4 - Exhibit 3 - Hardy & Harper Withdraw Letter, 4. 1393-4 & 1411-4 - Exhibit 4 - Resolution 23-034				

Date	Ver.	Action By	Action	Result
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## Report to Mayor and City Council

Tuesday, February 07, 2023

Consent

### SUBJECT:

**CONSIDER AWARD OF A CONSTRUCTION CONTRACT TO R.J. NOBLE COMPANY FOR PROJECT NO. 1393-4: CITYWIDE ANNUAL OVERLAY PROGRAM AND PROJECT NO. 1411-4: CITYWIDE ANNUAL CONCRETE REPLACEMENT PROGRAM, MAIN STREET FROM CARSON STREET TO VICTORIA STREET, AND APPROVAL OF RESOLUTION NO. 23-034, "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2022-23 BUDGET IN THE SPECIAL REVENUE FUNDS" (CITY COUNCIL)**

### I. SUMMARY

On January 4, 2022, the City Council approved the plans, specifications, and estimates (PS&E) for Project No. 1393-4: Citywide Annual Overlay Program, and Project No. 1411-4: Citywide Annual Concrete Replacement Program. These projects include the improvement of Main Street from Carson to Victoria St. (Exhibit No. 1). To maximize economies of scale, these two projects have been combined, with a total cost estimate of \$3,500,000.00.

The project was advertised for construction bids and on February 24, 2022, four (4) bids were received and opened by the City Clerk. However, at its meeting on April 19, 2022, the City Council approved Agenda Item No. 26 rejecting all bids due to bid irregularities and staff was authorized to re-advertise the project.

The project was re-advertised in a newspaper of local circulation and through the PlanetBids portal from May 12, 2022 to May 26, 2022. Three (3) bids were received and opened at the City Clerk's Office. On June 7, 2022, a Notice of Intent to Award was sent to Hardy & Harper for being the lowest responsive and responsible bidder.

Thereafter, through a letter dated November 22, 2022 sent from Braden Bennett Law, P.C. (Bennett Letter) to the City of Carson Assistant City Attorney confirming the results of a meeting held between City staff, the City Attorney and Hardy & Harper on October 27, 2022, City and Hardy & Harper mutually agreed that Hardy & Harper would withdraw its bid for Project Nos. 1393-4 and 1411-4. The Bennett Letter was affirmed by the City Manager and was signed on December 1, 2022. The agreement for withdrawal of the bid was part of a larger compromise that paved the way to allow resolution of disputes related to another project that Hardy & Harper was working on for the City, Project Nos. 1625, 1669 and 1970 (Wilmington Ave., Glenn Curtis St., Charles Willard St. Improvements).

Due to the bid withdrawal from Hardy & Harper, it was determined that R.J. Noble Company was the 2<sup>nd</sup> lowest responsive and responsible bidder, with a total bid amount of \$3,457,469.37.

Staff is requesting City Council to award a Construction Contract to R.J. Noble Company for a not-to-exceed amount of \$3,457,469.37.

## **II. RECOMMENDATION**

TAKE the following actions:

1. APPROVE and RATIFY Hardy and Harper, Inc.'s bid withdrawal as set out in the Bennett Letter (Exhibit 3).
2. AWARD a Construction Contract to R.J. Noble Company as the 2<sup>nd</sup> lowest responsive and responsible bidder, for Project No. 1393-4: Citywide Annual Overlay Program and Project No. 1411-4: Citywide Annual Concrete Replacement Program, in the amount of \$3,457,469.37 (Exhibit 2).
3. AUTHORIZE the expenditure of construction contingencies in the amount of \$518,620.40 (15%) for change orders and any unforeseen construction work such as substructure conflicts, contaminated soil removal and disposal, material testing, and other work that may be necessary to complete these projects.
4. ADOPT Resolution No. 23-034, "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2022-23 BUDGET IN THE SPECIAL REVENUE FUNDS" appropriating \$480,089.77 from the Measure M - Fund Balance to

augment the current amount budgeted for projects 1393-4: Citywide Annual Overlay Program, and Project No. 1411-4: Citywide Annual Concrete Replacement Program, Main Street from Carson Street to Victoria Street (Exhibit 4).

5. AUTHORIZE the Mayor to execute a Construction Contract with R.J. Noble Company, following approval as to form by the City Attorney.

### **III. ALTERNATIVES**

1. REJECT all bids.
2. TAKE another action the City Council deems appropriate consistent with the requirements of the law.

### **IV. BACKGROUND**

Project No. 1393-4: Citywide Annual Overlay Program and Project No. 1411-4: Citywide Annual Concrete Replacement Program is included in the City's Capital Improvement Program (CIP) list. The Annual Overlay and Concrete Replacement Program will improve Main Street from Carson Street to Victoria Street. It consists of grinding two inches of existing asphalt pavement surface, removal, and reconstruction of deteriorated roadway section, laying-down of AC leveling course and asphalt rubberized hot mix (ARHM), installation of pavement markings, re-striping, and other related work. The project will also improve the conditions of various types of concrete such as repair of damaged concrete pavement, sidewalks, driveway approaches, curbs and gutters, access curb ramps, and tree removals, restoration of concrete improvements to City standard, and compliance with Americans with Disabilities Act (ADA) requirements.

These projects are combined to maximize economies of scale while addressing sub-standard elements, maintenance issues, and ADA compliance. The locations were selected based on the recommendations from the Pavement Management Program (PMP) report.

At its meeting on January 4, 2022, the City Council approved Agenda Item No. 18, approving the PS&E, and authorizing staff to advertise the work and call for construction bids for Project No. 1393-4: Citywide Annual Overlay Program and Project No. 1411-4: Citywide Annual Concrete Replacement Program.

The project was first advertised for construction bids and on February 24, 2022, four (4) bids were received and opened. After staff reviewed the bids, it was discovered that the total amounts were inaccurate due to discrepancies between the pdf bid package schedule and the bid schedule line item in Excel format uploaded to Planet Bids. After consulting with the City Attorney, it was recommended that the project be re-advertised following City Council's authorization.

At its meeting on April 19, 2022, the City Council approved Agenda Item No. 26 rejecting all bids, and authorized staff to re-advertise the project for construction bids. The Invitation for Bids (IFB) was re-advertised in a newspaper of local circulation and through the PlanetBids portal from May 12, 2022 to May 26, 2022. Three (3) bids were received and opened at the City Clerk's Office.

The bid results are listed below:

No.	Bidder	Place of Business	Bid Amount
<del>*1</del>	<del>Hardy &amp; Harper, Inc.</del>	<del>Lake Forest, CA</del>	<del>\$3,040,000.00</del>
2	R.J. Noble Company	Orange, CA	\$3,457,469.37
3	All American Asphalt	Corona, CA	\$3,465,078.60

\*Mutual agreement between the City of Carson and Hardy & Harper to withdraw bid.

After a Notice of Intent to Award was sent to Hardy & Harper on June 7, 2022 for being the lowest responsive and responsible bidder, Hardy & Harper withdrew its bid for Project Nos. 1393-4 and 1411-4 after City staff agreed to allow such withdrawal following a meeting that was part of a larger compromise to resolve disputes related to another project that Hardy & Harper was working on for the City, Project Nos. 1625, 1669 and 1970 (Wilmington Ave., Glenn Curtis St., Charles Willard St. Improvements).

Thereafter, staff reviewed the bids and determined that the 2<sup>nd</sup> lowest responsive and responsible bid was submitted by R.J. Noble Company with a total bid in the amount of \$3,457,469.37. R.J. Noble Company is a bona fide contractor licensed by the State of California. The bid bond, in the amount of 10% of the total bid, as supplied by Fidelity and Deposit Company, a corporation of the State of Maryland, is in order, and was submitted with the bid. The project is subject to compliance with the City's Project Labor Agreement as stated in the bid packet, and the bid amount reflects the same.

The contractor's references have been checked and it has been verified that the contractor has completed similar projects in an acceptable manner. They are also scheduled to complete City's Project No. 1621 - Sepulveda Boulevard between Main Street and Avalon Boulevard in 2023.

The anticipated timeline for this project is as follows:

Award of Construction Contract	February 2023
Agreement executed by the City of Carson	April 2023
Start of construction	May 2023
Completion of construction	October 2023

The construction of the project may experience delays depending on weather conditions, and staff may have to adjust the schedule accordingly.

It is requested that the City Council award a Construction Contract to the 2<sup>nd</sup> lowest, responsive, responsible bidder, R.J. Noble Company for a not-to-exceed amount of \$3,457,469.37.

## **V. FISCAL IMPACT**

Funds in the amount of \$3,496,000.00 were allocated in the FY 2022/23 5-Year CIP budget. The project cost including a 15% contingency of \$518,620.40 brings the overall total cost for Project Nos. 1393-4 and 1411-4 to \$3,976,089.77. Therefore, the amount of additional funds needed to complete the project is \$480,089.77. If the project is awarded, funds should be appropriated as delineated in the Budget Resolution No. 23-034 attached

to this staff report. There is sufficient balance to cover the funds, and there will be no impact on the city's General Fund balance.

**VI. EXHIBITS**

1. Project Location Map (pg. 5)
2. Construction Contract with R.J. Noble Company (pgs. 6-43)
3. Hardy & Harper, Inc.'s Bid Withdrawal Letter (pg. 44)
  
4. Resolution 23-034 (pgs. 45-46)

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