



# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: June 18, 2019

Agenda Item 6-Q

Approvals: \_\_\_\_\_

City Manager [Signature]

Dept. Head [Signature]

Attorney \_\_\_\_\_

Finance \_\_\_\_\_

**Department:** Public Works / Engineering Division  
**Prepared By:** Amir K. Ilkhanipour, Senior Civil Engineer

**Subject:** **CONSTRUCTION CONTRACT AWARD TO GRFCO, INC. FOR THE VIA MONTEGO / VIA CASCADITA STORM DRAIN IMPROVEMENTS, PROJECT No. 13017.**

**Fiscal Impact:** Yes. The total estimated project cost is \$1,205,780; therefore, a supplemental appropriation in the amount of \$456,000 is recommended from the Storm Drain Fund Depreciation Reserve balance. The project was originally budgeted for \$750,000.

**Summary:** Staff recommends approval of a construction contract with GRFCO, Inc. for a total amount of \$785,650 for the Via Montego / Via Cascadita Storm Drain Improvements. Staff also recommends approval of the First Amendment to the Professional Services Agreement with Stantec for the additional engineering services.

**Background:** Currently there is no storm drain system at the intersection of Via Montego and Via Cascadita. During heavy rain events, the storm runoff is not contained within the street and causes localized flooding. A storm drain system is needed to collect and convey the storm runoff in this area to the nearby Prima Deshecha Canada Channel (Facility No. MO1), as shown on Attachment 1. A bid package for a proposed storm drain system was prepared by Stantec and advertised for public bidding on April 17, 2019. Bids ranged from \$928,544 to \$1,425,000, as shown on Attachment 2.

The low bid of \$928,544 was from GCI Construction, Inc. of San Clemente, California. On April 22, 2019, the City received a letter from GCI Construction, Inc. (GCI) requesting relief of its bid pursuant to Sections 5100-5110 of the Public Contract Code, due to mistakes that GCI made for preparation of the bid. Staff reviewed the information submitted by GCI indicating GCI's mistakes and recommended the City Council to relieve GCI of its bid. On May 21, 2019, City Council relieved GCI of its bid, rejected all other bids and authorized staff to revise the bid package and re-bid the project.

A revised bid package was advertised and bids were opened on June 10, 2019. Bids ranged from \$785,650 to \$906,280. The low bid of \$785,650 was from GRFCO, Inc. of Brea, California. Based on the low bid, project costs are estimated as follows:

|  |                    |
|--|--------------------|
| Engineering Design and Project Management                    | \$ 128,000         |
| Construction Management, Inspection<br>and Materials Testing | 135,000            |
| Construction   | 785,650            |
| Construction Contingency (20%)                               | 157,130            |
| <b>Total Estimated Project Cost</b>                          | <b>\$1,205,780</b> |

As required by City Policy and State Law, the Contractor will be required to provide performance and payment bonds simultaneously with execution of the construction contract. A warranty bond will also be required prior to City Council acceptance of the project.

On September 6, 2016, City Council awarded a Professional Services Agreement to Stantec for engineering and design services. Prior to re-bid, Stantec incurred additional costs for revising the design and bid documents for the re-bid. Stantec requested \$4,100 for these additional services. Staff reviewed Stantec's request and determined that the request was reasonable. Since there was still funding in the contract for construction support services that was not used, staff directed Stantec to proceed with the re-design and revising the bid documents using the available funds in the contract. To provide for construction support services staff recommends City Council's approval to amend the agreement with Stantec to increase the agreement amount from \$97,380 to \$101,480 (an increase of \$4,100) and extend the contract term to August 1, 2020.

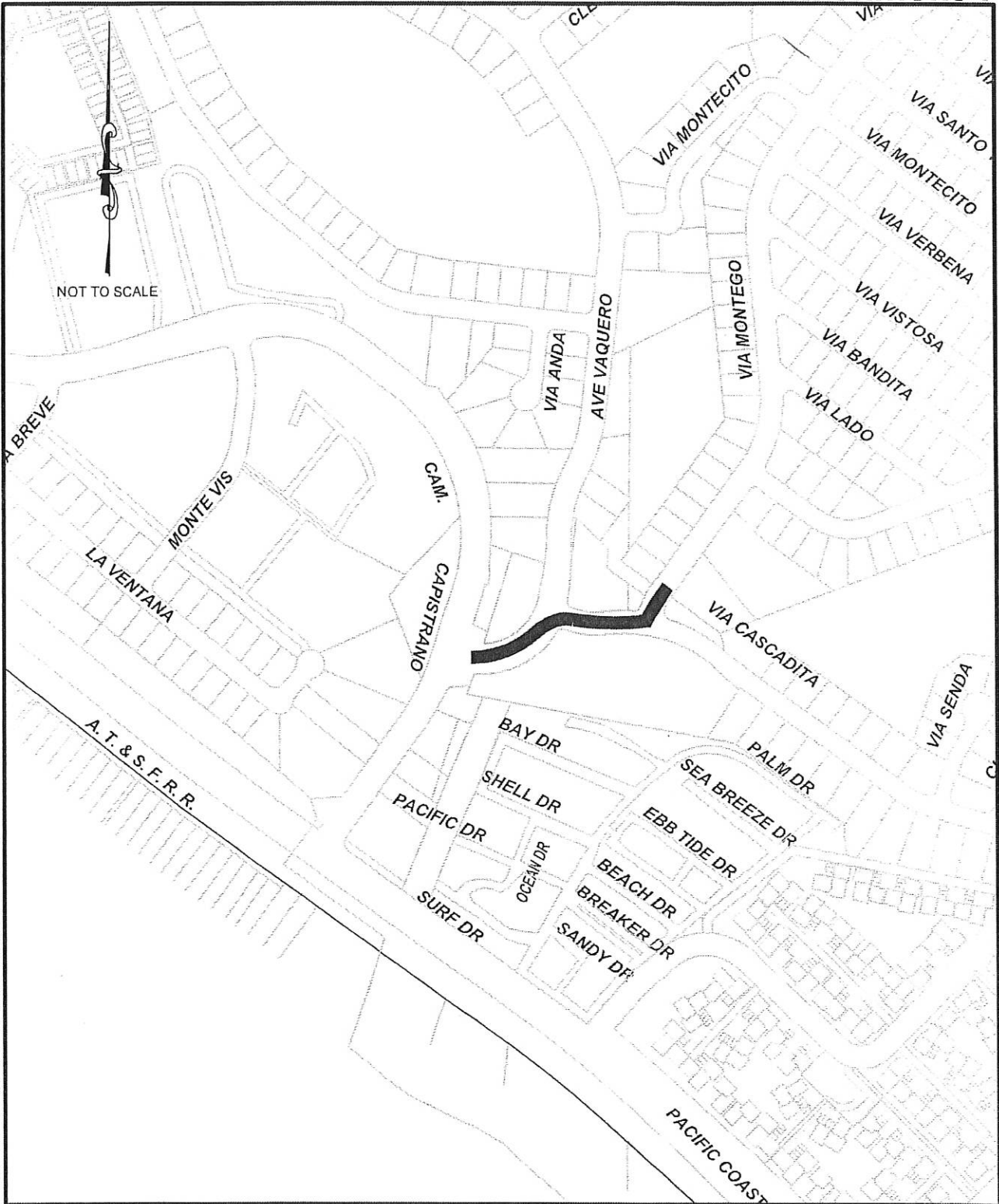
**Recommended**

**Action:** STAFF RECOMMENDS THAT the City Council:

1. Approve the Plans and Specifications for the Via Montego / Via Cascadita Storm Drain Improvements, Project No. 13017;
2. Approve a supplemental appropriation in the amount of \$456,000 from the Storm Drain Fund Depreciation Reserve to Account No. 059-553-45300-000-13017;
3. Approve and authorize the Mayor to execute, Contract \_\_\_\_\_, by and between the City of San Clemente and GRFCO, Inc., providing for construction of the Via Montego / Via Cascadita Storm Drain Improvements, Project No. 13017, in the amount of \$785,650; and
4. Approve and authorize the Mayor to execute a First Amendment to Contract No. C16-53 by and between the City of San Clemente and Stantec to increase the contract amount from \$97,380 to \$101,380.

**Attachments:** 1. Location Map  
2. Bidder's Listing

**Notification:** None.



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*City of San Clemente*

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**LOCATION MAP**

**Via Montego / Via Cascadita  
Storm Drain Improvements  
PN 13017**

Bid Results for Project VIA MONTEGO " VIA CASCADITA DRAIN IMPROVEMENTS (13017 Re-bid)  
 Issued on 05/23/2019  
 Bid Due on June 10, 2019 2:00 PM (Pacific)

| Vendor Name                             | Address             | City       | State | ZipCode | Bid Amount   | Format     |
|---|---------------------|------------|-------|---------|--------------|------------|
| PALP dba EXCEL                          | 2230 Lemon Ave      | Long Beach | CA    | 90806   | \$792,420.00 | Electronic |
| GRFCO, Inc                              | P.O. Box 1747       | Brea       | CA    | 92822   | \$785,650.00 | Electronic |
| Gwinco Construction & Engineering, Inc. | 2131 S Grove Ave #A | Ontario    | CA    | 91761   | \$877,835.00 | Electronic |
| KEC Engineering                         | 200 N Sherman Ave   | Corona     | CA    | 92882   | \$906,280.00 | Electronic |