

**REPORT TO THE  
CITY COUNCIL**  
*City of Salinas, California*

DATE: August 19, 2014

FROM: Gary E. Petersen, C.A.E.  
Public Works Director

THRU: Robert C. Russell, P.E.  
Deputy Public Works Director/City Engineer

BY: Josie Lantaca, Assistant Engineer

SUBJECT: **LA PAZ PARK STAGE AREA RECONSTRUCTION;  
PROJECT NO. 9061**

**RECOMMENDATION:**

It is recommended that the City Council adopt a resolution rejecting the apparent low bidder, Monterey Peninsula Engineering as non-responsive and approving award of contract to The Don Chapin Company, Inc., for the La Paz Park Stage Area Reconstruction (CIP No. 9061) in the amount of \$53,980.00.

**DISCUSSION:**

On May 6, 2014, Council approved plans and specifications and solicitation of bids for the La Paz Park Stage Area Reconstruction project (CIP No. 9061). The existing stage at La Paz Park located at 560 Roosevelt Street was built over 30 years ago. The stage's concrete surface is currently damaged/cracked at multiple locations needing reconstruction. The work includes demolishing the existing stage area and constructing a new stage at the same location. The new stage design includes increasing the height and area of stage, new ADA-compliant accessible ramp, and electrical outlets (to include conduits/wiring, and security boxes). The new stage design was developed in consultation with Poder Popular Concilio of Salinas (PPCS), a local non-profit organization committed to improving this neighborhood.

Other renovations and improvements to La Paz Park were completed over three years ago, which included the addition of lights within the park; re-construction and expansion of the playground area; constructing concrete picnic pads; and installing new play equipment, concrete tables/benches, and BBQ grills donated by Poder Popular through a grant from the Community Foundation for Monterey County.

This project has been reviewed per the California Environmental Quality Act (CEQA) Guidelines, and has been determined to be Categorically Exempt in accordance with Section 15301 et seq. (Class 1).

Bids were opened on July 1, 2014, with the following results (see attached Bid Tabulation Sheet for details):

	Contractor	Total Bid
1	Monterey Peninsula Engineering, Marina, CA	\$52,740.00
2	The Don Chapin Co. Inc., Salinas, CA	\$53,980.00
	<i>Engineer's Estimate</i>	<i>\$50,320.00</i>

Monterey Peninsula Engineering (MPE), the apparent low bidder, failed to properly include Minority/Female Business Enterprise Good Faith Effort documentation. The project's Notice to Bidders states that all bidders "shall affirmatively insure that in any Contract entered into pursuant to this advertisement; Minority/Female Business Enterprises (M/FBE) shall be afforded full opportunity to submit Bids in response to this invitation." MPE's Statement of Subcontractors Part 1 form identifies an electrical subcontractor, but the M/FBE Business Certification form does not reflect any M/FBE good faith effort outreach information related to the electrical portion of the work. The project specifications states that "Failure of the Bidder to provide requested information in a complete and accurate manner shall be considered non-responsive resulting in rejection of the bid." Based on the above, MPE's bid is deemed to be non-responsive. A letter was sent to MPE in this regard (see attached).

The bid from The Don Chapin Company, Inc. in the amount of \$53,980.00 is 7.27% above the Engineer's Estimate, but is reasonable (within 10%). Staff recommends awarding the project to the second bidder, The Don Chapin Company, Inc. in the amount of \$53,980.00.

**ISSUE:**

Shall City Council adopt a resolution rejecting the apparent low bidder, Monterey Peninsula Engineering as non-responsive, and approving award of contract to The Don Chapin Company, Inc. for the La Paz Park Stage Area Reconstruction; Project No. 9061 in the amount of \$53,980.00?

**FISCAL IMPACT:**

The current budget for this project includes \$26,000 for design and \$55,000 for construction cost from FY 2013-2014 CDBG funds for a total CDBG allocation of \$81,000. As of July 22, 2014, \$15,124 has been spent and encumbered on preliminary engineering, leaving an unencumbered balance of \$65,876. The total estimated construction cost for this project including inspection and contingencies is \$64,780. Below is a summary of the projected costs:

Construction Cost (The Don Chapin Company, Inc.)	\$53,980
Inspection (10%)	5,400
Contingencies (10%)	<u>5,400</u>
<b>Total Estimated Project Costs</b>	<b>\$64,780</b>
(CDBG cannot be used to fund administrative overhead costs)	

Based on the Don Chapin's bid received, sufficient funds are available to proceed with project award.

**TIME CONSIDERATIONS:**

If approved, project completion is anticipated in late November 2014. This timeline meets the funding requirement to encumber and spend the CDBG Funds.

**ALTERNATIVES/IMPLICATIONS:**

City Council may:

1. Adopt a resolution rejecting all bids and authorizing the rebid for the project with bids to be opened on September 16, 2014. This is not recommended because additional staff time will be incurred in re-bidding the project, there is no guarantee that lower bids will be received, and this will delay the project completion by about two months.
2. Elect to reject all bids and postpone the project. This is not recommended because CDBG funds are available for the project and postponing the project may jeopardize these funds.
3. Otherwise direct staff how to proceed.

**CITY COUNCIL GOALS:**

The La Paz Park Stage Area Reconstruction Project addresses the current City Council Goals of Excellent Infrastructure; Safe, Livable Community; and Quality of Life.

**CONCLUSION:**

At its meeting on August 19, 2014, the City Council is requested to adopt a resolution rejecting the apparent low bidder, Monterey Peninsula Engineering as non-responsive, and approving award of contract to The Don Chapin Company, Inc. for the La Paz Park Stage Area Reconstruction; Project No. 9061 in the amount of \$53,980.00.

Distribution:  
 City Council  
 City Manager  
 City Attorney  
 Department Directors

Back up Pages:  
 Location Map  
 Resolution  
 Bid Tabulation Sheet  
 Letter to Monterey Peninsula Engineering