

REPORT TO THE CITY COUNCIL

City of Salinas, California

DATE: August 16, 2016

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: **SALINAS MUNICIPAL AIRPORT ELECTRICAL UPGRADES
AIP NO. 3-06-0206-25; CITY PROJECT NO. 9225**

RECOMMENDATION:

It is recommended that the City Council approve a resolution granting an award of contract to Kobo Utility Construction Corporation, for the Salinas Municipal Airport Electrical Upgrades; AIP No. 3-06-0206-25 (CIP NO. 9225) in the amount of \$723,760.00 (Base Bid plus all four Additive Alternatives).

DISCUSSION:

On March 22, 2016, Council approved plans and specifications and solicitation of bids for the Salinas Municipal Airport Electrical Upgrades; AIP No. 3-06-0206-25 (CIP NO. 9225). The scope of work for the base bid of the project includes the replacement of the Precision Approach Path Indicator (PAPI) for Runway 13, the addition of five airfield signs, and the installation of supplementary southeast wind cone.

In addition to the base bid, four additive alternatives are also specified. The scope of work includes the following:

- Additive Alternative 1 – includes the replacement of Runway 31 and 26 approach REILs (Runway End Identifier Lights).
- Additive Alternative 2 – includes the replacement of Taxiway B edge lights with LED lights.
- Additive Alternative 3 – includes the replacement of the airfield constant current regulators that provide electricity to the airport runways, taxiways and navigational equipment.
- Additive Alternative 4 – includes the installation of additional supplementary northeast wind cone.

Bids were opened on April 20, 2016, with the following results (see attached Bid Tabulation Sheet for details):

Contractor	Base Bid (Basis of Award)	Total Bid (Base Bid + All Add. Alternatives)
KOBO Utility Construction Corporation (Sandwich, MA)	\$241,347.50	\$723,760.00
St. Francis Electric LLC (San Leandro, CA)	\$368,960.00	\$997,909.00
<i>Engineer's Estimate</i>	<i>\$181,600.00</i>	<i>\$666,850.00</i>

The provision of the "Local Purchasing Preference Ordinance" is not applicable to this project because funding for this project involves federal funds.

KOBO Utility Construction's total bid is 8.53% above the engineer's estimate but is reasonable (within 10%). Staff has done reference checks on KOBO Utility Construction Corporation, which were positive, and recommends awarding the project to the apparent low bidder, KOBO Utility Construction Corporation, in the amount of \$723,760 (Base Bid plus all four Additive Alternatives).

ISSUE:

Shall City Council adopt a resolution approving award of contract to Kobo Utility Construction Corporation, for the Salinas Municipal Airport Electrical Upgrades; AIP No. 3-06-0206-25 (CIP NO. 9225) in the amount of \$723,760.00 (Base Bid plus all four Additive Alternatives)?

FISCAL IMPACT:

This project is funded with \$824,050.08 in Federal Aviation Administration (FAA) Airport Improvement Program (AIP) funds recently awarded to the City Airport. There are no encumbrances to this Project No. 9225 at this time. Preliminary engineering, including Consultant's fees were funded by a previous FAA Grant and Airport funds. The estimated construction cost for the project, including construction administration/inspection, and administrative overhead, is \$810,611.

Below is a summary of the projected costs:

Construction Cost	\$723,760.00
Construction Administration/Inspection (10%)	72,376.00
City's Administrative Overhead	<u>14,475.00</u>
Total Estimated Project Costs	\$810,611.00

Based on the lowest responsible bid received, sufficient funds are available to proceed with project award.

TIME CONSIDERATIONS:

If approved, project completion is expected by December 2016. The work will be scheduled so that no construction activities will be permitted from September 20, 2016 through September 27, 2016 (inclusive) to accommodate all activities of the California International Airshow. Any disruptions to airport operations during construction of the project will be addressed in detail between the contractor and the City's project representative in close coordination with the Airport Manager, and the airport control tower personnel in strict conformance with all Airport procedures.

ALTERNATIVES/IMPLICATIONS:

Council may elect to reject all bids and postpone this project. This is not recommended because grant funding from the FAA has been secured. Delay of the project could result in the loss of FAA grant funds.

CITY COUNCIL GOALS:

The project complements the City Council's Goals for Excellent Infrastructure, and Economic Diversity and Prosperity. The improved Airport facilities will encourage aircraft owners to base their aircraft at Salinas Municipal Airport; and generally respond to needs of Airport users for improved service and facilities.

CONCLUSIONS:

At its meeting on August 16, 2016, the City Council is requested to adopt a resolution approving award of contract to Kobo Utility Construction Corporation, for the Salinas Municipal Airport Electrical Upgrades; AIP No. 3-06-0206-25 (CIP NO. 9225) in the amount of \$723,760.00 (Base Bid plus all four Additive Alternatives).

Back up Pages:
Location Map
Resolution
Bid Tabulation Sheet

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