



CITY OF GLENDALE, CALIFORNIA

REPORT TO THE:

Joint  City Council  Housing Authority  Successor Agency  Oversight Board

February 23, 2016

AGENDA ITEM

Report: The Barn at Wilderness Park Project Phase 2, Specifications No. 3567R

- 1) Resolution rejecting all the bids, dispensing with competitive bidding, and authorizing the Director of Public Works to negotiate directly with one or more of the bidders and the City Manager to execute a construction contract in an amount not to exceed \$700,000, for the construction of the Barn at Wilderness Park Project Phase 2, Specification No. 3567R.

COUNCIL ACTION

Public Hearing  Ordinance  Consent Calendar  Action Item  Report Only

Approved for February 23, 2016 calendar

ADMINISTRATIVE ACTION

Submitted by: Roubik R. Golanian, P.E., Director of Public Works

Jess Duran, Director of Community Services and Parks

Prepared by:

Hagop Kassabian, Senior Project Manager

Approved by: Scott Ochoa, City Manager

Reviewed by: Yasmin K. Beers, Assistant City Manager

Michael J. Garcia, City Attorney

Robert P. Elliot, Director of Finance

Signature lines with handwritten signatures for Roubik R. Golanian, Jess Duran, Hagop Kassabian, Scott Ochoa, Yasmin K. Beers, Michael J. Garcia, and Robert P. Elliot.

**RECOMMENDATION**

Staff respectfully recommends that the City Council approve the attached Resolution rejecting all the bids, dispensing with competitive bidding, and authorizing the Director of Public Works to negotiate directly with one or more of the bidders and the City Manager to execute a construction contract in an amount not to exceed \$700,000, for the construction of the Barn at Wilderness Park Project Phase 2, Specification No. 3567R.

**BACKGROUND/ANALYSIS**

The 709-acre Deukmejian Wilderness Park is located in the San Gabriel Mountain foothills in the extreme northern tip of Glendale. It was acquired by the City of Glendale in 1988. Four previous phases of park development have been completed at the park since the preparation and approval of the park’s master plan and environmental document in 1992.

The first phase of park development was the Discovery Phase; which included a historical assessment of the Barn and the site, structural analysis of the 3,000-square-foot unreinforced masonry structure, temporary seismic bracing, and removal of decaying interior wood elements of the structure. The second phase involved the construction of trails on the site. The third phase was the construction of the Park Center area, which included a new entry road and utility corridor, a meadow with picnic tables, two picnic shelters, restrooms, walking paths, a small amphitheater for outdoor programs, and parking lots. The fourth and final phase of park development was planned to include the seismic upgrade, and mechanical and interior improvements for the adaptive reuse of the Barn to a nature education center.

In November 2008, Council approved the plans and specifications for the Barn at Deukmejian Wilderness Park Seismic Upgrade and Adaptive Reuse Project and directed the City Clerk to advertise for bids. In July 2011, the Seismic Upgrade portion of the project was completed and the Adaptive Reuse portion of the project was placed on hold due to funding limitations. The Barn Seismic Upgrade was funded through the Santa Monica Mountains Conservancy and the Los Angeles County Cities Excess Funds (Prop A).

With funding now available, the remainder of the fourth phase can proceed with the next phase of the adaptive reuse of the barn, including the new Heating Ventilating and Air Conditioning (HVAC) system, plumbing and electrical work, new concrete floor slab, a glass storefront entry on the south side, to match the existing one at the main entrance, and accessibility improvements. With these improvements, the barn can begin to be used for special events, lectures, meetings, and programmed activities, until the next and final phase of the adaptive reuse nature education center project is completed, which would be the design and construction of the interior improvements and a restroom building.

As such, on July 1, 2015, bids were received for the HVAC, plumbing, electrical, concrete flooring and entry door work. However, on September 29, 2015 Council approved rejecting the bids due to all of them exceeding the architect’s/consultant’s estimate for this project.

Subsequently, on November 17, 2015, the City Council approved a resolution adopting revised plans and specifications for the construction of the Barn at Wilderness Park Phase 2 Project; and authorized the City Clerk to re-advertise for bids. The project was re-advertised for bids on November 26, 2015. A mandatory pre-bid meeting was held on December 3, 2015 where four construction firms attended the pre-bid job walk. On December 23, 2015, four bids were received as follows:

- 1- ACE Construction & Maintenance, Inc. North Hollywood, CA..... \$742,000

2- Thomco Construction, Inc., Anaheim, CA .....	\$807,711
3- ARC Construction Inc., Glendale, CA .....	\$818,000
4- Kemp Bros Construction Inc., Santa Fe Springs, CA.....	\$1,084,000

The four bids received are higher than the engineer’s estimate of \$500,000 due to: 1) the bidders’ investigations during the bid phase exposed additional considerations related to structural, site logistics, mechanical, and electrical scope of work; 2) certain products and materials specified to match previous phases of construction appear to have escalated in cost significantly; and 3) the improved economy and construction services market has created a surplus of work for many contractors, hence increasing prices and reducing competition.

Staff is requesting to reject all bids and negotiate the scope of work and the cost for the improvements with one or more of the bidders, in an amount not to exceed \$700,000. Staff also requests a reserve for contingencies of approximately 15% of the negotiated amount not to exceed \$105,000. The contingency of 15% is based on previous experience, and is commensurate with the complex nature and condition of the project. This will account for any incidental work, and unforeseen field conditions that could be encountered during construction, and any resulting field modifications that may be necessary.

**Environmental Review**

This project is Categorically Exempt under the provisions of the California Environmental Quality Act (CEQA) as a Class 31 Historical Resource Restoration/Rehabilitation Exemption pursuant to the California Code of Regulations, Title 14, Section 15331.

**Americans with Disabilities Act (ADA)**

The proposed project includes improvements that will comply with current California Title 24 and Federal ADA guidelines.

**Availability of Plans and Specifications**

A copy of the Plans and Specifications are available for review in the City Clerk’s Office.

**Project Schedule**

The construction of the project is anticipated to begin in June 2016, and be completed by October 2016.

**FISCAL IMPACT**

Funds for the project are available in the following account:

Deukmejian Nature Education Center      51200-405-601-0000-51837 (DIF)

**ALTERNATIVES**

The alternatives relating to the proposed Resolution are as follows:

**Alternative 1:** Approve the attached Resolution to reject all bids, dispense with competitive bidding, and authorize the Director of Public Works or his designee to negotiate the scope and cost for the improvements with one or more of the bidders, for the construction of the Barn at Wilderness Park Project Phase 2, Specification No. 3567R.

**Alternative 2:** City Council may chose not to approve the Resolution and revise the scope or cancel the project.

**Alternative 3:** City Council may consider any other alternative not proposed by staff.

**EXHIBITS**

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None

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA,  
REJECTING ALL BIDS, DISPENSING WITH COMPETITIVE BIDDING, AUTHORIZING  
THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE  
TO NEGOTIATE WITH ONE OR MORE OF THE BIDDERS AND SELECT ONE OF  
THE FIRMS FOR AWARD OF A CONSTRUCTION CONTRACT, AND AUTHORIZING  
THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE  
THE CONTRACT FOR THE CONSTRUCTION OF  
THE BARN AT WILDERNESS PARK PROJECT PHASE 2,  
SPECIFICATION NO. 3567R**

**WHEREAS**, on July 1, 2015, the Public Works Department received bids for HVAC, plumbing, electrical, concrete flooring, and entry door work as part of the construction project of the Barn at Wilderness Park Project Phase 2 ("Project"); and

**WHEREAS**, on September 29, 2015, the Council adopted a Motion rejecting the bids because the bids exceeded the Engineer's estimate and the funding allocated for this Project; and

**WHEREAS**, Public Works Department staff value engineered the Project and the consultant revised the plans accordingly to meet available funding; and

**WHEREAS**, on November 17, 2015, the Council adopted Resolution No. 15-201, approving and adopting revised plans and specifications for the Project (Specification No. 3567R); and

**WHEREAS**, on December 23, 2015, the Public Works Department received 4 bids for the Project; and

**WHEREAS**, all 4 bids exceeded the Engineer's estimate of \$500,000.00; and

**WHEREAS**, a detailed analysis of the bids revealed that they surpassed the Engineer's estimate because: (1) the bidders' investigations of the Project exposed additional considerations related to structural, site logistics, mechanical, and electrical scope of work; (2) certain products and materials specified to match previous phases of construction had escalated in cost significantly; and (3) the improved economy and construction services market has created a surplus of work for many contractors, thereby increasing prices and reducing competition; and

**WHEREAS**, Public Works Department staff believes that going through a third round of a formal bidding process will further delay the Project's completion, and any potential costs savings through rebidding will be offset by continued rising construction costs and the costs of rebidding; and

**WHEREAS**, the Director of Public Works recommends a streamlined process of meeting directly with one or more of the bidders, negotiating with them for a price less than their current bid, and then executing a contract with one of the firms to perform the work for the Project— a process that can be completed in approximately 3 months; and

**WHEREAS**, Glendale City Charter, Article VI, Sec. 9 provides an exemption to competitive bidding where the Council determines it is in the best interest of the City to dispense with competitive bidding; and

**WHEREAS**, given the extended time period required to competitively rebid the Project and given the need to begin work on the Project before construction costs continue to increase, it appears that adequate justification exists and it is in the City's best interest— upon recommendation of the Director of Public Works— to reject all bids for the Project, dispense with competitive bidding, and authorize the Director of Public Works or his designee to negotiate with one or more of the bidders for a price less than their current bid, and then select one of the firms for award of a Construction Contract for the Project.

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**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GLENDALE:**

1. The foregoing facts are deemed to be true and correct, and are a basis for rejecting the bids, dispensing with competitive bidding, and authorizing the execution of a Construction Contract with a single firm.
2. The Council hereby:
  - A. Rejects all bids for the Project;
  - B. Dispenses with competitive bidding; and
  - C. Authorizes:
    - (1) The Director of Public Works or his designee to negotiate with one or more of the bidders for a price less than their current bid, in an amount not to exceed \$700,000.00, and to select one of the firms for award of a Construction Contract for the Project.
    - (2) The City Manager or his designee to enter into and execute a Construction Contract— subject to the City Attorney’s approval— with the firm whom the Director of Public Works selects.
3. The Council approves an additional 15% Project contingency in the amount of \$105,000.00.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

STATE OF CALIFORNIA     )  
  ) SS  
COUNTY OF LOS ANGELES )

I, Ardashes Kassakhian, City Clerk of the City of Glendale, certify that the foregoing Resolution No. \_\_\_\_\_ was adopted by the Council of the City of Glendale, California, at a regular meeting held on the day \_\_\_\_ of \_\_\_\_\_, 2016, by the following vote:

- Ayes:
- Noes:
- Absent:
- Abstain:

~~APPROVED AS TO FORM~~  
  
 \_\_\_\_\_  
 Michael R. Grant  
 Principal Assistant City Attorney

\_\_\_\_\_  
City Clerk

Date: 2-18-16