** CITY OF LEMON GROVE**

**CITY COUNCIL**

**STAFF REPORT**

**Item No. 2**

**Meeting Date:** September 5, 2023
**Submitted to**: Honorable Mayor and Members of the City Council

**Departmen**t: Public Works

**Staff Contact:** Izzy Murguia, Public Works Director

 imurguia@lemongrove.ca.gov

**Item Title: Award of Contract (No. 2023-21) for the Connect Main Street Phases 1, 2, and 3 Project to Blue Pacific Engineering Company, Inc.**

**Recommended Action:** Adopt a resolution (Attachment A) awarding a contract (No. 2023-21) for the Connect Main Street Phases 1, 2, and 3 Project to Blue Pacific Engineering Company, Inc., in the amount of $2,567,406.56, and authorize the City Manager to execute any necessary documents.

**Summary:** In support of the City’s Capital Improvement Program (CIP), the City invited sealed bids for the Connect Main Street Phases 1, 2, and 3 Project on July 28, 2022. Bid were publicly opened on August 22, 2023 with one bid submitted. Staff reviewed the bid and determined that Blue Pacific Engineering Company, Inc., is a responsive and responsible bidder with a base bid of $2,567,406.56.

**Discussion:** Connect Main Street is a multi-phased project that seeks to transform an approximately two-mile long stretch of Main Street (from Broadway to southern City Limits) into a corridor that supports active lifestyles and transportation choices by providing a safe, beautiful linear parkway with walking and biking paths and park related activity areas.

The contract proposed for City Council consideration included as part of this agenda item is for constructing Phases 1-3. The City received grant funding from SANDAG Smart Growth for Phases 1 and 2, and funding from the California Natural Resources Agency Green Infrastructure for Phase 3. Phase 1 project limits are from Broadway to Central Ave; Phase 2 limits are from Central Ave to San Miguel Ave; and Phase 3 limits are from San Miguel Ave to Buena Vista Ave. The project will transform Main Street by providing bicycle and pedestrian facilities from Buena Vista Ave up to Pacific Ave. A portion of Main Street from Buena Vista Ave to Davidson Ave will be shut down to vehicular traffic to accommodate the proposed facilities. Improvements include a multi-use path, DG trail, sidewalks and ramps, interpretive panels, street lighting, drainage, water quality, traffic signing and striping, and a signal modification.

On July 28, 2023 and August 18, 2023, staff duly advertised a request for bid for the Project. On August 3, 2023, staff held a non-mandatory pre-bed meeting, which was attended by two contractors. One bid was received and opened on August 22, 2023. A summary of the bid submitted is listed in Table 1 below.

**Table 1: Bid Summary**

|  |  |  |  |
| --- | --- | --- | --- |
| **Contractor** | **Phase 1 & 2** | **Phase 3** | **Total Bid Amount** |
|  Blue Pacific Engineering Company, Inc.  | $ 1,405,424.85 | $ 1,161,981.71 | $ 2,567,406.56 |

Although one bid was received, the bid submitted by Blue Pacific Engineering Company, Inc. (“Blue Pacific”), is responsive and is fair and reasonable. The bid is approximately $182,000 below the Engineer’s Estimate. Because there was sufficient time for other prospective bidders to respond to the request for bid and there is not adequate time for re-solicitation due to grant deadlines, staff is recommending award to Blue Pacific. Blue Pacific is a general engineering construction firm based in San Diego. Blue Pacific has completed over 2o public construction projects over the past five (5) years for a number of public agencies in San Diego County.

Based on the project scope of work, staff recommends the following project budget:

|  |  |
| --- | --- |
| **Description** | **Amount** |
| Base Bid Construction Costs | $2,567,406.56 |
| Inspection/Construction Support  | $260,000.00 |
| Material Testing | $10,000.00 |
| Subtotal | $2,837,406.56 |
| Contingency – 10% | $285,000.00 |
| **GRAND TOTAL** | **$3,122,406.56** |

Blue Pacific will have 350 calendar days after the commencement date specified in the Notice to Proceed to complete the project. Staff recommends awarding a contract to Blue Pacific in the amount of $2,567,406.56 and establishing an overall project of $3,122,406.56.

A notice of intent to adopt a mitigated negative declaration was filed with the County Clerk on September 22, 2016 and on October 18, 2016, the City Council approved a General Plan Amendment certifying a Mitigated Negative Declaration for the project. The Environmental Initial Study prepared for this project found that the project would have no significant effect on the environment because identified potentially significant impacts will be mitigated to below a level of significance.

**Environmental Review:**

|  |  |
| --- | --- |
| [ ]  Not subject to review | [ ]  Negative Declaration |
| [ ]  Categorical Exemption, Section       | [x]  Mitigated Negative Declaration |

**Fiscal Impact:** Grant funds in the amount of $3,320,876 (08-00-00-7253, 08-00-00-7254, and 14-00-00-7340) were budgeted for this project as part of the adopted Capital Improvement Project.

**Public Notification:** A notice inviting sealed bids was advertised in the City’s newspaper of general circulation on July 28 and August 18, 2023.

**Staff Recommendation:** Adopt a resolution (Attachment A) awarding a contract (No. 2023-21) for the Connect Main Street Phases 1, 2, and 3 Project to Blue Pacific Engineering Company, Inc., in the amount of $2,567,406.56, and authorize the City Manager to execute any necessary documents.

**Attachments:**Attachment A – Resolution

Attachment B – Contract with Blue Pacific Engineering Company, Inc.

Attachment A

 **RESOLUTION NO. 23-\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA, AWARDING A CONTRACT FOR THE CONNECT MAIN STREET PHASES 1, 2, AND 3 project (No. 2023-21) TO BLUE PACIFIC ENGINEERING COMPANY, INC.**

**WHEREAS,** the Connect Main Street Project will create a community corridor that supports active lifestyles and transportation choices in the City by providing a safe, beautiful, and sustainable linear parkway to connect people, places, and activities; and

**WHEREAS**, the City of Lemon Grove’s Capital Improvement Program earmarks funding for the Connect Main Street Phases 1, 2, and 3 Project (Contract No. 2023-21); and

**WHEREAS**, bids were solicited and one sealed bids was received for the Connect Main Street Phases 1, 2, and 3 Project (Contract No. 2023-21); and

**WHEREAS**, Blue Pacific Engineering Company, Inc., was the sole bidder and determined to be responsive and responsible; and

**WHEREAS**, Blue Pacific Engineering Company, Inc., project work history is positive, references checks were positive, and construction license is active and current with the State of California; and

**WHEREAS**, Blue Pacific Engineering Company, Inc., has successfully performed similar work for other local governments in San Diego County; and

**WHEREAS**, the City Council finds it in the public interest that a contract be awarded to Blue Pacific Engineering Company, Inc.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lemon Grove, California hereby:

1. Approves a contract with Blue Pacific Engineering Company, Inc., to construct the Connect Main Street Phases 1, 2, and 3 Project in the amount of $2,567,406.56.
2. Establishes a project budget not to exceed $3,122,406.56funded from account numbers 08-00-00-7253, 08-00-00-7254, and 14-00-00-7340.
3. Authorizes the City Manager, or her designee, to negotiate, execute and manage all project documents.

***PASSED AND ADOPTED*** on September 5, 2023, the City Council of the City of Lemon Grove, California, adopted Resolution No. \_\_\_\_\_\_\_, passed by the following vote:

 ***AYES:***

 ***NOES:***

 ***ABSENT:***

 ***ABSTAIN:***

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Racquel Vasquez, Mayor**

**Attest:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Joel Pablo, City Clerk**

**Approved as to Form:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Kristen Steinke, City Attorney**