



City Council Staff Report

January 21, 2009

NEW BUSINESS

Subject: AWARD OF CONTRACT FOR THE HOUSEHOLD HAZARDOUS WASTE RECYCLING FACILITY, CITY PROJECT NO. 08-19

From: David H. Ready, City Manager

Initiated by: Public Works and Engineering Department

SUMMARY

The City and Riverside County have coordinated on the construction of a new permanent Household Hazardous Waste Recycling Facility. Award of this contract will allow staff to proceed with construction of the new permanent Household Hazardous Waste Recycling Facility to be operated by Riverside County.

RECOMMENDATION:

- 1) Approve Agreement No. _____ in the amount of \$475,631.60 with G&M Construction, for Bid Schedules A, B and C, for the Household Hazardous Waste Recycling Facility, City Project No. 08-19; and
- 2) Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

Riverside County currently operates a household hazardous waste program at a facility located on City property on Alejo Road. The current program is limited to "ABOP" (antifreeze, batteries, oil and paint), and it has been the City's and County's desire to enlarge the facility and upgrade the ABOP program to a permanent household hazardous waste program that can collect the full array of hazardous wastes, including electronic wastes.

The City and County jointly applied for a regional household hazardous waste grant from the California Integrated Waste Management Board (CIWMB) to fund a portion of the construction and equipment costs of the expanded facility, which is to be located at the wastewater treatment plant. The City and County were successful in obtaining a \$149,915 CIWMB grant for this purpose.

Item No. **5.A.**

Randy Purnell Landscape Architects was previously hired by Veolia to prepare a preliminary design for the new facility, which was originally located at the southeast corner of Mesquite Avenue and Vella Road, and included a community garden. The preliminary plan was reviewed and recommended for approval by the Architectural Advisory Committee on October 8, 2007, and was approved by the Planning Commission on November 14, 2007. Subsequently, the City Council selected the same site as the location for the new animal shelter. In consultation with the City's Animal Shelter Project Manager, Al Smoot, staff repositioned the household hazardous waste facility further south, to be located directly adjacent to and south of the Animal Shelter. However, due to space restrictions and the need to preserve land for wastewater treatment facility purposes, the community garden component of this project has been eliminated.

Randy Purnell Landscape Architects, in conjunction with MDS Consulting and MRC Engineering, Inc., has prepared final construction plans for the household hazardous waste facility, which will include construction of a new cul-de-sac at the south end of Vella Road as an entrance to the wastewater treatment plant.

In accordance with the terms of the CIWMB grant, the household hazardous waste facility must be constructed by March 31, 2009. Therefore, it is critical to complete construction by the grant deadline.

On, November 5, 2008, the City Council approved the plans and specifications and authorized construction bidding. On December 6 and 19, 2008, the project was advertised for bids, and at 2:00 p.m. on January 9, 2009, the Procurement and Contracting Division received construction bids from the following contractors:

1. G&M Construction; Palm Springs, CA: \$475,631.60
2. Lippert Construction, Inc.; La Quinta, CA: \$555,024.00
3. Dateland Construction Company, Inc.; Indio, CA: \$628,140.75
4. Tri-Star Contracting II, Inc.; Desert Hot Springs, CA: \$633,866.00
5. Desert Concepts Construction, Inc.; Palm Desert, CA: \$636,264.93
6. Doug Wall Construction, Inc.; Bermuda Dunes, CA: \$643,167.63
7. Roadway Engineering & Contracting, Inc.; Riverside, CA: \$648,632.50
8. A. Flores Excavating & Grading, Inc.; La Quinta, CA: \$654,238.00
9. Simon Contracting; Indio, CA: \$667,694.00
10. James A. Shirley Construction, Inc.; Yucca Valley, CA: \$686,084.04
11. Atlas-Allied, Inc.; Anaheim, CA: \$946,542.50

The Engineer's estimate for this project was \$650,000.

The low bid was submitted by G&M Construction, a California corporation. The corporate officers are: George Marantz, President; and Dianne Marantz, Secretary/Treasurer.

On January 14, 2009, the City received a written protest from Lippert Construction (see attached letter), alleging bid irregularities with the List of Subcontractors included in the G&M Construction Bid. The City received a written statement from G&M Construction dated January 14, 2009, (see attached letter), confirming that a significant portion of work (metal shade structure construction) will be installed by G&M Construction, thereby negating the need to list the component of work on the List of Subcontractors. The City rejected the written protest by letter dated January 15, 2009, (see attached letter).

Staff recommends that the City Council make award to G&M Construction on the basis that it submitted the lowest, responsive Bid.

FISCAL IMPACT:

The extension of Vella Road to the wastewater treatment plant is considered a wastewater facility capital project. This work is identified as Bid Schedule A (\$154,284.70); sufficient funds for construction of the Vella Road extension are available in the Wastewater Fund Account No. 420-6800-50000 (unscheduled capital projects).

The construction of the household hazardous waste recycling facility is identified as Bid Schedules B and C (\$321,346.90). In addition to the \$149,915 CIWMB grant, the City has budgeted \$120,000 from the Recycling Fund for this project, and has also obtained a \$100,000 contribution towards the permanent household hazardous waste facility from Palm Springs Disposal Services, pursuant to Amendment No. 2 to the Solid Waste Management Services Agreement, approved by City Council on November 14, 2007. Sufficient funds for construction are available in the Recycling Fund Account No. 125-1280-58007 (ABOP Expansion) and 261-1395-58007 (ABOP Expansion).

Submitted:



David J. Barakian
Director of Public Works/City Engineer



Thomas J. Wilson
Assistant City Manager



David H. Ready
City Manager

Attachments:

1. Agreement
2. Letters regarding bid protest (3)

LIPPERT CONSTRUCTION, INC.

General Engineering Contractor
44540 Via Terra Nova • La Quinta, CA 92253
760-837-2088 • Fax 760-837-2099
License #843418

January 14, 2009

City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

Attention: Craig Gladders

Re: Bid Protest
Household Hazardous Waste Recycling Facility
City Project 08-19

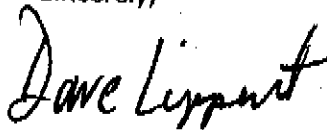
Craig,

This letter serves as our written protest regarding the bid results for the Household Hazardous Waste Recycling Facility City Project 08-19.

Lippert Construction, Inc. believes there may be irregularities in the G&M Construction Subcontractor Listing and the bid is potentially non-responsive.

If you have any questions or if I can be of further assistance please feel free to call me at (760) 601-7437.

Sincerely,



Dave Lippert
President

Cc: Marcus Fuller



G & M CONSTRUCTION

Subsidiary of Happy Traveler

211 West Mesquite Avenue
Palm Springs, California 92264
(760) 322-6918
Fax (760) 778-6708

Fed. ID #95-2417032

Lic. #A-272619

General Engineering • Grading • Pipeline • Hazardous Waste • Asbestos • Demolition

January 14, 2009

Marcus Fuller
City of Palm Springs
Department of Public Works & Engineering
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92263

Regarding: Bid Protest for City Project # 08-19

Dear Marcus,

Please find enclosed the material list and specifications (Item 3) from Western Steel Cutting for the acquisition, assembly, and manufacturing of the various component parts that shall be required to properly complete the installation of the shade structure as specified on Sheets S1.1 through S3.3 of the bid documents (plans). The certified welder, Alex Sanchez, has worked for G & M Construction, on a full time basis, for the past 3 years.

I, personally, have had experience in erecting these types of structure over the past 50 years. The first shade structure erected of this type was in 1961, in San Pedro, for the maintenance facility for a Marantz owned property.

Marcus, this project is simpler than the Cor-10 on the ally project with all the bad engineering we had to deal with and then throw out.

Query: If Lippert Construction is not A. E. L. Construction or MJS Construction, his name does not seem to appear on the bid list.

Sincerely,


George Marantz



City of Palm Springs

Department of Public Works and Engineering

3200 E. Tahquitz Canyon Way • Palm Springs, California 92262
Tel: (760) 323-8253 • Fax: (760) 322-8360 • Web: www.ci.palm-springs.ca.us

January 15, 2009

Mr. Dave Lippert, President
Lippert Construction, Inc.
44540 Via Terra Nova
La Quinta, CA 92253

Re: **Household Hazardous Waste Recycling Facility, City Project 08-19**
Bid Protest dated January 14, 2009

Dear Mr. Lippert,

We have received and reviewed the written protest to award a construction contract to G&M Construction, as stated in your letter dated January 14, 2009. Although no specific allegation of non-responsiveness is identified, your letter simply states that "...there may be irregularities in the G&M Construction Subcontractor Listing...". We have reviewed the List of Subcontractors included with the Bid Documents submitted by G&M Construction, and find four subcontractors listed: Buena Vista Landscape, Zoltan Paving, Buster Lawrence, and Sanborn A/E.

At the conclusion of the City's bid opening conducted January 9, 2009, following a reading of the subcontractors listed in the G&M Construction Bid, we are aware of comments made to the extent that a subcontractor for the metal shade structure should have been listed. It is this allegation, although not stated in your letter, to which we will respond.

The installation of the metal shade structure is identified on Bid Schedule C; the G&M Construction Bid amount for Bid Schedule C is \$94,500 or approximately 20% of the overall G&M Construction Bid. If a subcontractor were to install the metal shade structure for G&M Construction, then the work would need to be identified on the List of Subcontractors. We have confirmed with G&M Construction by letter dated January 14, 2009, that G&M Construction intends to self-perform the installation of the metal shade structure; therefore, listing the metal shade structure work is not required pursuant to Public Contract Code Section 4104.

We are recommending that the City Council award this contract to G&M Construction on the basis that its Bid is the lowest, responsive Bid. If you have any questions, please feel free to contact me at (760) 323-8253, extension 8744, or by e-mail at Marcus.Fuller@palmsprings-ca.gov.

Sincerely,

Marcus L. Fuller, P.E., P.L.S.
Assistant Director of Public Works/
Assistant City Engineer

cc: file