



CITY COUNCIL AGENDA REPORT

MEETING DATE: SEPTEMBER 16, 2014

ITEM NUMBER:

**SUBJECT: 2013-2014 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROJECT:
HARBOR BOULEVARD ALLEY (ALLEY NO. 16) AND BERNARD STREET ALLEY
(ALLEY NO. 17 EAST) IMPROVEMENT - CITY PROJECT NO. 14-09**

DATE: SEPTEMBER 4, 2014

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR

FOR FURTHER INFORMATION CONTACT: FARIBA FAZELI, CITY ENGINEER, (714) 754-5335

RECOMMENDATION:

1. Adopt plans, specifications, and working details for the Harbor Boulevard Alley (Alley No. 16) and Bernard Street Alley (Alley No. 17 East) 2013-2014 CDBG Project, City Project No. 14-09.
2. Award a construction contract to Kalban, Inc., 9075 Glenoaks Boulevard, Sun Valley, CA 91352, in the amount of \$110,329.65.
3. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

A Citywide Alley Improvement Report was presented to the City Council in September 2007. At that time, the Council adopted a City Alley Improvement Priority List to address the City's alley system beginning with those alleys with the most need of improvement. The City has improved many alleys from the list and currently, at the top of the priority list, are the Harbor Boulevard Alley (Alley No. 16) located west of Harbor Boulevard, north of Bernard Street, and east of Charle Street; and Bernard Street Alley (Alley No. 17 East) located west of Harbor Boulevard and just south of Bernard Street (Attachment "1"). These alleys are located within a low to moderate income residential area and are eligible for Community Development Block Grant (CDBG) federal funding.

ANALYSIS:

The pavement rehabilitation process for the Harbor Boulevard Alley and the Bernard Street Alley consists of removal of the existing asphalt concrete alley sections and construction of a new concrete pavement, and other incidental work needed to complete the project in accordance with the contract documents.

The City Clerk received and opened five (5) bids for this project on August 4, 2014. Kalban, Inc. was the apparent low bidder with a base bid proposal of \$110,329.65. The Engineer's estimate was \$129,505.00; and the average of the five (5) base bids received for this project amounted to \$123,017.18.

An analysis of the bids indicates that the apparent low bidder submitted a proposal for the base bid that is approximately fifteen (15%) percent lower than the Engineer's estimate. The variance between the low bidder and the Engineer's estimate may be attributed to the highly competitive

conditions prevalent in the construction industry at this time. The Bid Abstract is included as Attachment “2.”

The license and references of Kalban, Inc. have been checked and staff has found them to be in good standing. Additionally, in 2006, Kalban Inc. successfully completed the rehabilitation of Valencia Street Alley (Alley No. 123) located between Valencia Street and El Camino Drive, from La Salle Avenue to Mendoza Drive.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to reject all the bids. If all the bids were rejected, the City would need to readvertise or cancel the project. Staff believes that re-advertising the project would not result in lower bids.

FISCAL REVIEW:

Funding for this project is available from appropriated CDBG funds in the Fiscal Year 2013-2014 budget.

LEGAL REVIEW:

Kalban, Inc., has furnished the necessary bonds and insurance, which have been approved as to form by the City Attorney. After the award and subsequent execution of the contract, a “Notice to Proceed” will be issued.

CONCLUSION:

The City has received bids for the Harbor Boulevard Alley (Alley No. 16) and Bernard Street Alley (Alley No. 17 East) 2013-2014 CDBG Project, City Project No. 14-09. Staff has evaluated all of the bids and recommends that the City Council adopt the plans, specifications, and working details for said project; award the contract to the apparent low bidder Kalban, Inc., in the amount of \$110,329.65; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

ERNESTO MUNOZ
Public Services Director

FARIBA FAZELI
City Engineer

ATTACHMENTS: 1 - [Location Map](#)
 2 - [Bid Abstract](#)

DISTRIBUTION: Chief Executive Officer
 Assistant CEO
 City Attorney
 City Clerk
 Staff
 File