



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: May 27, 2014

SUBJECT: Resolutions regarding Downtown Village Streetscape Improvement Project

- A. Resolution Appropriating \$250,000 from Wastewater Fund Reserves to Capital Improvement Account 301140SF, Sewer System Improvements 14
- B. Resolution Appropriating \$1,061,000 from the Downtown Parking Fund to Account 302149OT, Downtown Village Streetscape Improvement Project
- C. Resolution Accepting the Bid and Awarding a Construction Contract for the Downtown Village Streetscape Improvement Project to Dick Miller, Inc., Bid 14-09

ISSUING DEPT.: Public Works

SUMMARY:

Issues:

Should the City of La Mesa approve resolutions to:

- A. Appropriate \$250,000 from Wastewater Fund Reserves to Capital Improvement Account 301140SF, Sewer System Improvements 14
- B. Appropriate \$1,061,000 from the Downtown Parking Fund to Account 302149OT, Downtown Village Streetscape Improvement Project
- C. Accept the Bid and Award a Construction Contract for the Downtown Village Streetscape Improvement Project to Dick Miller, Inc., Bid 14-09

Recommendation:

Adopt the attached resolutions:

- A. Appropriating \$250,000 from Wastewater Fund Reserves to Capital Improvement Account 301140SF, Sewer System Improvements 14
- B. Appropriating \$1,061,000 from the Downtown Parking Fund to Account 302149OT, Downtown Village Streetscape Improvement Project
- C. Accepting the Bid and Awarding a Construction Contract for the Downtown Village Streetscape Improvement Project to Dick Miller, Inc., Bid 14-09

Fiscal Impact:

Funds for the project will be available pending council action in capital improvement project accounts 302149OT, 302145TR, 30213BTD, 30212ATD, 302099TR, 302120TR, 302130TR, 302136FT, 302142TR and 301140SF. No general fund money will be used for this project.

Environmental Review:

An approved mitigated negative declaration in compliance with California Environmental Quality Act (CEQA) has been filed for this project. The project will not have an adverse impact on the environment due to mitigation measures which reduce potential impacts to below a level of significance. Therefore, a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program have been prepared.

City's Strategic Goals:

Revitalize neighborhoods and corridors

BACKGROUND:

It has been almost 40 years since La Mesa's Downtown Village last received a major renovation and the improvements are showing signs of deterioration. The City of La Mesa initiated the Downtown Village Streetscape Improvement Project to revitalize the downtown village area, to enhance its sense of place as a central business district, and to improve public safety.

In 2008, the Council authorized the expenditure of \$300,000 from the Downtown Parking Fund to pay for professional services to prepare design and engineering plans for the Project. In April 2009, the Council authorized the use of American Recovery and Reinvestment Act funds in an amount of \$991,000 to fund a portion of the project construction.

Two public workshops were held on April 22, 2009 and June 29, 2009 at the Community Center to gather feedback on concept plans from stakeholders. The meetings were well-attended, with over 100 people providing input. The overall consensus at the workshops was that there was significant support for the project. Workshop results and

the concept plans were posted on the project page on the City's web site www.cityofmesa.com/downtownvillage.

Following the workshops, concept plans, construction phasing plans, an informational brochure, and design plans were prepared for the project. Over the past year staff has held some 30 meetings with stakeholders to review the construction phasing and gather input from stakeholders.

In July 2013, the City received a Smart Growth Incentive Program Grant for \$2M for the construction of the Downtown Village Streetscape Improvement Project.

In the summer of 2013, in anticipation of project bidding, the City advertised a proposal to pre-qualify contractors for construction of the Downtown Village Streetscape Improvements Project. The criteria used to pre-qualify the contractors were:

- Relevant experience with similar previous projects
- Quality of work
- Ability to bond
- Responsiveness to the public and businesses
- Adequacy of personnel and resources to complete the project expeditiously

Thirteen contractors submitted pre-qualification proposals. Nine general contractors were determined to be sufficiently qualified to bid the project.

On April 9, 2014, a notice inviting bids was published on the City's online bidding system Planet Bids and the pre-qualified general contractors were invited to bid on the project.

The project area is as follows:

- La Mesa Boulevard from Acacia Avenue to 4th Street
- Acacia Avenue from La Mesa Boulevard south to the alley
- Date Avenue from La Mesa Boulevard south to the alley
- Palm Avenue from La Mesa Boulevard south to the alley
- Palm Avenue from La Mesa Boulevard to Allison Avenue
- 3rd Street from La Mesa Boulevard south to the alley
- 4th Street from La Mesa Boulevard south to the alley

The scope of work includes:

- Removal and replacement of the curb, gutter and sidewalk
- Realignment of a sewer line on Date Avenue, La Mesa Boulevard from Date Avenue to 8045 La Mesa Boulevard and Acacia Avenue
- Installation storm drainage facilities
- Installation of street lights

- Installation of tree grates and irrigation
- Installation of event power
- Installation of festoon string lighting
- Installation of water quality devices
- Replacement of one traffic signal pole
- Signage and striping
- Installation of street furniture
- Installation of enhanced cross-walks
- Asphalt overlay

The City incorporated the following provisions in the bid specifications:

Construction Sequencing Plan and Timing

A sequencing plan based on having street lighting on at all times has been developed and the contractor is required to follow the sequence. When the contractor can not reactivate the lighting, the contractor is required to provide temporary lighting.

Certain critical path items of work define the start or completion of the sequence. The contractors were required to submit a construction schedule for each sequence of construction that collectively would not exceed the allotted contract time. Additionally, the contractor is not allowed to go over the sequence time. Failure to comply with sequence timing could result in penalties to the contractor. The timing scheme is design to expedite the project and to incentivize the contractor to keep to strict timelines.

Work Zone

The contractor is required to:

- Maintain a five-foot clear walkway to provide access to business front doors
- Work on one block at a time
- Close only half of the street at anytime

The contractor is not allowed to start on the next block without completing and opening the block they are work on

Traffic Control Plan

The City has provided certain guidelines to the contractor regarding traffic control. The contractor is required to maintain a one-way traffic flow within the construction zone in the direction of the angle-parking. The opposing traffic will be detoured.

Parking Plan

The contractor is required to keep the parking spaces that are not within the

construction zone open at all times, thereby minimizing impacts to the number of parking. Additionally, the contractor shall post signs directing the traffic to the municipal parking lots within the downtown area.

Work Hours

Certain construction tasks are specified to be constructed during the night to reduce the impact to the stakeholders. The items of work to be completed during such hours are:

- Installation of sewer lines
- Removal and Installation of sidewalk only the five-foot adjacent to businesses
- Asphalt overlay

Downtown Events

The contractor has been provided with a schedule of downtown events including Oktoberfest, Flag Day Parade, Car Show, Antique Fair and Christmas in the Village. The specification requires the contractor to secure the site prior to the scheduled events. During the Oktoberfest weekend, the Contractor shall demobilize for the festivities. All construction areas shall be buttoned up and opened to the public.

Public Outreach Plan

Upon award of the construction contract, the City with consultation of the construction manager and the contractor will provide regular construction updates to the stakeholders. The updates will include information about the construction progress, upcoming phases of construction and the projected schedules. The merchants will be advised of contact information.

Inspection

The City intends to hire a full time inspection and construction management team. The responsibility of the inspection team is to make sure the project is constructed as per plans and specifications, to be present full time on site, ensure the contractor provides the best customer service to the stakeholders and field any requests or concerns from the stakeholders. The construction management contract will be brought to the City Council at a later date.

Bidding Method

The project was bid using a method known as "A+B". The "A+B" method is sometimes used by Caltrans for roadway projects when construction scheduling and construction delays are of concern. Minimizing the construction impacts and reducing construction time were important considerations for this project. Therefore, the City opted to select a contractor using the "A+B" bidding.

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A contractor was required to submit a bid as per bid schedule and specifications. The bid schedule was considered to be the "A" part of the formula. The "B" part was considered as the product of the City calculated daily cost with the number of working days submitted by the contractor. This amount "B" was not compensable to the contractor but was used to evaluate the bids.

The lowest "A+B" bidder that is responsible and responsive will be selected for the contract award.

DISCUSSION:

On the bid opening date of May 13, 2014, two bids were received electronically via Planet Bids. The low "A+B" bidder was Dick Miller, Inc. A summary of bid results is as follows:

	"A"	"B"	"A+B"
Dick Miller Inc.	\$5,857,758.00	\$1,600,000.00	\$7,457,758.00
TC Construction Co., Inc.	\$6,176,422.50	\$1,600,000.00	\$7,776,422.50

The engineering estimate for the "A" part of the bid was \$4.5 to \$5.0M. Contract time for the completion of the project is 320 working days. The work is expected to begin in July 2014 and be completed by November 2015.

The low bid was checked for mathematical errors, responsiveness and responsibility. The Contractor has a valid contractors' license. The bid is deemed to be valid.

The funds to construct the project are from seven sources: downtown parking, American Recovery and Reinvestment Act, Gas Tax, Transit Development Administration, Transnet, Smart Growth Grant and wastewater funds.

A portion of the construction includes realignment and replacement of the sewer on Date Avenue, La Mesa Boulevard from Date Avenue to 8045 La Mesa Boulevard and Acacia Avenue. The cost of the replacement of the sewer exceeds the available wastewater CIP funds. It is, therefore, required to transfer additional monies from the Wastewater Fund Reserves to the wastewater CIP Account number 301140SF. The sewer replacement project is scheduled for night work.

Staff recommends appropriating \$1,061,000 from the parking fund for expenditure on the Downtown Village Streetscape Improvement Project. The Downtown Parking Fund was created to pay for the improvements and enhancements of the Downtown Village. The entire project improves the quality of life in the Downtown Village.

At the La Mesa Community Parking Commission meeting on May 20, 2014 the Parking Commission considered the funding request for the project. A report was provided to the Parking Commission on the third quarter available balance in the parking fund which showed that the parking fund could support a \$873,000 contribution to the

project. Staff informed the Parking Commission that it would like to request to allocate an additional \$188,000 from the parking fund for a total contribution of \$1,061,000.

The \$188,000 figure was equivalent to one year of operating expenses. The Parking Commission has a reserve target of two years of operating expenses or \$376,000. There was discussion regarding why the parking fund was being asked to contribute more to the project. Staff explained that there were seven different funding sources for this project and that with exception of grant funds which were already contributing the maximum amount possible, all funding sources were having to increase their contribution in order to award the bid.

The Parking Commission recognized the importance and significance of the streetscape project to the downtown village. After bifurcating the funding request, the Commission voted unanimously to support the \$873,000 allocation and 3-2 to support the additional \$188,000. The additional \$188,000 also included a provision that the Commission suspend their reserve target for two years. Some of the Commissioners said they were concerned with the additional allocation and were troubled by the lack of any financial support from any other downtown village stakeholders.

CONCLUSION:

Staff recommends that the City Council adopt the attached resolutions

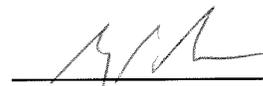
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Reviewed by:



David E. Witt
City Manager

Respectfully Submitted:



Gregory P. Humora
Director of Public Works/City Engineer



Hamed Hashemian
Engineering Project Manager

Attachments:

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RESOLUTION NO. 2014-

RESOLUTION APPROPRIATING \$250,000 FROM WASTEWATER FUND RESERVES TO CAPITAL IMPROVEMENT ACCOUNT 301140SF, SEWER SYSTEM IMPROVEMENTS 14

WHEREAS, one of the City of La Mesa's goal is to revitalize the Downtown Village;

WHEREAS, it is necessary to realign the sewer line in order to be able to construct the downtown improvements;

WHEREAS, the available funds in the current wastewater capital improvement program accounts is insufficient to pay for the realignment of the sewer lines; and

WHEREAS, a transfer and appropriation of \$250,000 from Wastewater Reserve Fund 207 will be sufficient to be able to award the construction contract and allow for 10% contingencies.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that:

An amount of \$250,000 from Wastewater Reserve Fund 207 is transferred and appropriated to capital improvement program account 301140SF

PASSED AND ADOPTED at a regular meeting of the City Council of the City of La Mesa, California, held the 27th day of May, 2014, by the following vote, to wit:

AYES:
NOES:
ABSENT:

CERTIFICATE OF CITY CLERK

I, MARY J. KENNEDY, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2014-___, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MARY J. KENNEDY, CMC, City Clerk

(SEAL OF CITY)

RESOLUTION NO. 2014-_____

RESOLUTION APPROPRIATING \$1,061,000 FROM THE DOWNTOWN
PARKING FUND TO ACCOUNT 302149OT, DOWNTOWN VILLAGE
STREETSCAPE IMPROVEMENT PROJECT

WHEREAS, one of the City of La Mesa's goal is to revitalize the Downtown Village; and

WHEREAS, the City desires to use the downtown parking fund reserves to fund the
Downtown Village Improvements Project construction.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the
City of La Mesa, California, that:

Capital Improvement Program Account 302149OT is created and \$1,061,000 from
Parking Reserve Fund 206 is transferred and appropriated to said account.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of
La Mesa, California, held the 27th day of May, 2014, by the following vote, to wit:

AYES:
NOES:
ABSENT:

CERTIFICATE OF CITY CLERK

I, MARY J. KENNEDY, City Clerk of the City of La Mesa, California, do hereby certify the
foregoing to be a true and exact copy of Resolution No. 2014-____, duly passed and adopted by
the City Council of said City on the date and by the vote therein recited.

MARY J. KENNEDY, CMC, City Clerk

(SEAL OF CITY)

RESOLUTION NO. 2014-

RESOLUTION ACCEPTING BID 14-09 AND AWARDING A CONSTRUCTION CONTRACT FOR DOWNTOWN VILLAGE STREETScape IMPROVEMENTS PROJECT TO DICK MILLER, INC.

WHEREAS, one of the City of La Mesa's goal is to revitalize the Downtown Village;

WHEREAS, in 2013, the City issued a request for qualifications of potential bidders for Downtown Village Streetscape improvement Project;

WHEREAS, the City pre-qualified nine contractors to bid on the Downtown Village Streetscape improvement Project;

WHEREAS, the City advertised the Downtown Village Streetscape Improvements Project and distributed the bid packages to the pre-qualified contractors on April 9, 2014;

WHEREAS, on the bid opening date of May 13, 2014, the City received two bids; and

WHEREAS, the City determined that Dick Miller, Inc. was the lowest responsive and responsible bidder.

NOW THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that:

The bid of Dick Miller, Inc. in the amount of \$5,857,758 for Bid 14-09, Downtown Village Streetscape Improvements Project, was determined to be the lowest responsive and responsible bid. Said bid is on file in the office of the City Clerk.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to accept and execute a contract with Dick Miller, Inc. to perform the work at the prices set forth in said bid.

BE IT FURTHER RESOLVED that the Director of Public Works is authorized to approve the substitution of subcontractors.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of La Mesa, California, held the 27th day of May, 2014, by the following vote, to wit:

AYES:
NOES:
ABSENT:

CERTIFICATE OF CITY CLERK

I, MARY J. KENNEDY, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2014-____, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MARY J. KENNEDY, CMC, City Clerk

(SEAL OF CITY)

CERTIFICATE OF CITY/DIRECTOR OF FINANCE

Certification of Unappropriated Reserves

I HEREBY CERTIFY that the money required for the appropriation of funds for the purpose as docketed is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unappropriated.

Amount \$ 1,061,000.00 Funds 206 – 3900: Downtown Parking Fund
\$ 250,000.00 207 – 3900: Wastewater Fund

Purpose Appropriating Funds in the amount of \$1,061,000.00 from Fund 206 - Downtown Parking Reserves to new CIP account 302149OT and appropriating \$250,000.00 from Fund 207 – Wastewater Reserves to CIP account 301140SF. These funds are for the Downtown Village Streetscape Improvement Project.

Director of Finance
City of La Mesa

Date 5/27/14

By Greg Humora, Director of Public Works

Unappropriated Reserves Available Balance \$ Fund 206 - \$1,405,007.18
Fund 207 - \$2,719,853.83

Certification of Unencumbered Balance

I HEREBY CERTIFY that the indebtedness and obligation as docketed can be incurred; that sufficient monies to meet the obligations are actually in the Treasury, or are anticipated to come into the Treasury to the credit of the appropriation from which the same are to be drawn; and that said monies now actually in the treasury, together with the monies anticipated to come into the Treasury, to the credit of said appropriation are otherwise unencumbered.

Amount Not to Exceed \$4,546,758.00



Director of Finance
City of La Mesa

Date: 5/27/14

By: Greg Humora

Fund: 301 & Dept./Activity: 301140SF-6830, \$166,878.75 from account 301140SF-6830
302 302145TR-6830, 30213BTD-6830, (amount available \$234,531.44), \$1,997,750.00
30212ATD-6830, 302099TR-6830, from account 302145TR-6830 (amount available
302120TR-6830, 302130TR-6830, \$1,997,750.00), \$210,000.00 from account
302136FT-6830, 302142TR-6830 30213BTD-6830 (amount available
\$210,000.00), \$420,000.00 from account
30212ATD-6830 (amount available
\$420,000.00), \$496,717.13 from account
302099TR-6830 (amount available
\$496,717.13), \$179,440.00 from account
302120TR-6830 (amount available
\$179,440.00), \$871,490.00 from account
302130TR-6830 (amount available
\$871,490.00), \$104,723.37 from account
302136FT-6830 (amount available
\$422,225.12), \$99,758.75 from account
302142TR-6830 (amount available
\$600,000.00).

Purpose:

Accepting the Bid and Awarding a Construction Contract for the Downtown Village Streetscape Improvement Project to Dick Miller, Inc. – Bid 14-09.

CERTIFICATE NO. 1406