

CC/RDA ACTION 7B MTG. DATE: 6-2-11
APPROVED DENIED REC/FILE CONT.
OTHER _____
VOTE: YES 4 NO 1 ABSTAIN _____
Hanson

STAFF REPORT

DATE: June 2, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Paul Goble, P.E., T.E.
Public Works Director

SUBJECT: Recommendation to Award Contract to Match Corporation in the Amount of \$3,896,000 for the Highway 111 Phase 2 Improvement Project

Summary

The Highway 111 Phase 2 Improvement project bid was issued on May 10, 2011 with a bid opening on May 23, 2011. The Phase 2 project will overlay Highway 111 with a rubberized asphalt surface and install landscaped medians between Cook Street and the Deep Canyon Bridge at the eastern City Limit. Match Corporation is the low bidder and is recommended for the contract award. The contract bid was \$3,896,000. A requisition of \$4,285,600 is recommended for approval including a standard 10% contingency. The project is scheduled for construction over a period of 90 calendar days with median landscaping to follow immediately after construction of the road overlay and median curb installation. The project will complete a major portion of a City of Indian Wells/CVAG Highway 111 reimbursement agreement (Amendment 3) executed on December 16, 2010 which funds Phase 2 and Phase 3 of the Highway 111 project. Phase 3 will be bid as soon as possible following the utility relocations required between Cook and Hospitality Row.

Analysis

Highway 111 was resurfaced approximately 17 years ago. A 20 year design life span is typical for high volume, asphalt pavement, arterial roadways. The Highway 111 Phase 2 Improvement provides a unique opportunity to establish 6 lane widening road grades, final median designs and a irrigation backbone concurrent with pavement rehabilitation of the roadway. The project will complete a major portion of a City of Indian Wells/CVAG Highway 111 reimbursement agreement (Amendment 3) executed on December 16, 2010 which funds Phase 2 and Phase 3 of the Highway 111 project.

On May 10, 2011, Staff issued plans, specifications and contract documents for the Highway 111 – Phase 2 Improvement project. The project was publicly advertised and reviewed by 6 plan holders, including Match Corporation, Granite Construction, Hardy & Harper, Westcon Construction Group, Cooley Construction and Pavement Recycling Systems. Of the 6 plan holders, Match Corporation, Granite Construction and Hardy & Harper attended a mandatory pre-meeting on May 17, 2011.

Hardy & Harper declined to bid as a result of an inability to meet a bid specification relative to a maximum allowable California Workers' Compensation EMR of 1.25. For comparison purposes, the year 2010 EMR for Matich Corporation is 1.06. The year 2010 EMR for Granite Construction is 0.87. The EMR (Experience Modification Rate) defines the cost of Workers' Compensation Insurance with EMR higher values denoting higher workers compensation claims and increased accident frequency.

The bid results defined Matich Corporation as the low bid of \$3,896,000 with a competing bid from Granite Construction of \$4,676,676. Matich and Granite operate the two primary asphalt plants serving the Coachella Valley. Granite Construction's bid amounts were significantly higher for mobilization, traffic control, geotextile paving fabric and asphalt. Staff cross checked the 43 bid items for accuracy and consistency. Matich is a highly experienced Class A contractor and was founded in 1918.

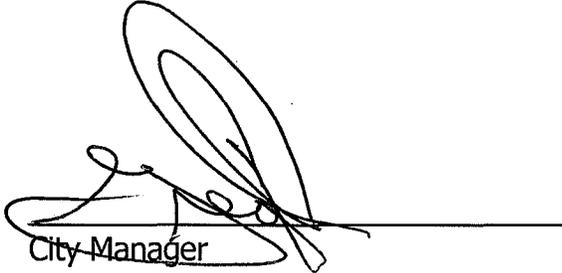
Fiscal Impact

The proposed project is included in the City Capital Project Schedule. Funding for Phase 2 and Phase 3 of the Highway 111 project has been previously budgeted at \$7,744,500. An agreement for City reimbursement of 75% of allowable Highway 111 improvement expenses has been executed with CVAG. The summary breakdown of the Highway 111 Phase 2 construction work is as follows:

Highway 111 Phase 2 Scope of Work	CVAG Contribution	City Contribution	Total
Pavement, Curb, Drainage, Signal Modification	\$2,486,366	\$828,789	\$3,315,155
Median Irrigation Backbone	\$0	\$580,845	\$580,845
Median Plants, Irrigation and Hardscape (Estimated – Pending Bids)	\$0	\$1,100,000	\$1,100,000
SubTotal:	\$2,486,366	\$2,509,634	\$4,996,000
Contingency (10%):	\$248,636	\$250,963	\$499,599
Grand Total:	\$2,735,002	\$2,760,597	\$5,495,599

Recommendation

Approve a Public Works contract with Matich Corporation in the amount of \$3,896,000 and authorize a requisition in the amount of \$4,285,600, including a standard ten percent (10%) contingency if needed, for the construction of the Hwy 111 Phase 2 Improvement Project.



City Manager

Attachment: Requisition – Matich Corporation



CITY OF INDIAN WELLS
 44-950 ELDORADO DRIVE
 INDIAN WELLS, CA 92210
 (760) 346-2489

Requisition

DATE	Department
05/26/11	PW

Terms: **Net 30 Days**

VENDOR: **Match Corporation**

Vendor Phone:

Vendor Fax:

Dept. Contact: **Paul Goble**

Dept. Phone: 760-776-0237

VENDOR #: 5277

SPECIAL INST.:

DESCRIPTION	PRICE
FY 10-11 Highway 111 Phase 2 Improvement Project Civil Construction	3,646,671.00
Phase 2 project will overlay Hwy 111 with a rubberized asphalt surface and install landscaped medians between Cook St. and the Deep Canyon Bridge at the eastern City limit (\$3,315,155 with 10% Contingency)	
Median Irrigation Backbone Landscaping (\$580,845 with 10% Contingency)	\$638,929
Total	4,285,600.00

ACCOUNT DISTRIBUTION:

Account Number	Budget Available
316.93.12.06731.000	3,646,671.00
316.93.15.06731.000	638,929.00
TOTAL:	4,285,600.00

Prepared By: Mirian Date: 5/26/2011

Requisition Checklist:

Copies of the following items must accompany all requisitions in order for processing.

Please check off attached items as collected

- A signed Professional Service Agreement (over \$25,000)
- Insurance Certificate(s) and indemnification.

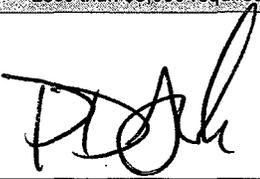
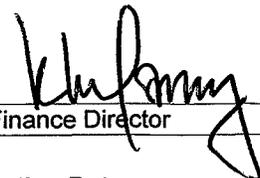
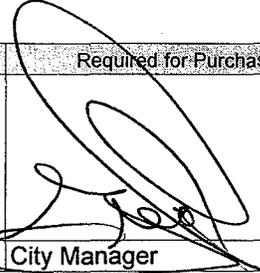
_____ Risk Manager Approval

Procurement Methods:

Please attach backup support for procurement method. (refer to page 7 of Fiscal Procedure Manual 2006)

- Request for Proposal
- Negotiation
- Informal Bid
- Formal Bid
- Authorized Purchasing Alternatives
- Copy of 3rd Party Request for Funds (if required)

AUTHORIZED SIGNATURES

Less than \$5,000 requires Dept Head Only	Required for Purchases over \$5,000	Required for Purchases over \$25,000
		
Department Head	Finance Director	City Manager
Date: 5/26/11		

City Council Approval:

Meeting Date: _____

Item No.: _____