



City of Costa Mesa

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 21-451

Meeting Date: 11/16/2021

TITLE:

JACK HAMMETT SPORTS COMPLEX EXPANSION PROJECT, CITY PROJECT NO. 21-05

DEPARTMENT: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC SERVICES DIRECTOR

CONTACT INFORMATION: SEUNG YANG, P.E., CITY ENGINEER (714) 754-5633

RECOMMENDATION:

Staff recommends the City Council:

1. Adopt plans, specifications, and working details for the Jack Hammett Sports Complex Expansion Project, City Project No. 21-05.
2. Accept the bid withdrawal submitted by PUB Construction, Inc.
3. Award a Public Works Agreement (PWA) to Horizons Construction Company International, Inc., 432 W. Meats Avenue, Orange, CA 92865, in the amount of \$2,166,920.70 (Attachment 1).
4. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.
5. Authorize a budget adjustment of an additional \$125,000 from the Jack Hammett Sports Complex Capital Improvement Fund (417) and authorize an additional ten percent (10%) contingency as needed for unforeseen costs.

BACKGROUND:

The Jack Hammett Sports Complex is named in honor of former mayor, Jack Hammett. The facility offers six (6) fields that are primarily used for soccer and lacrosse programs but can be utilized for other various recreational activities. This location also acts as the preseason training home of the Los Angeles Chargers professional football team. The sports complex has endured frequent use over time and is in need of improvements and new upgrades to this public recreational facility.

The proposed improvements are designed to increase parking, improve overall circulation, provide more Americans with Disabilities Act (ADA) accessible paths and improvements and the construction of permanent storage facilities. The proposed improvements will be completed around various areas of the sports complex.

The scope of work for this project includes, but is not limited to, parking lot pavement improvements that include striping and markings; concrete flatwork; ADA compliant ramps, curbs and gutters; installation of a new storage building; site grading; lighting; irrigation; landscaping; electrical and mechanical work; and all other tasks associated with the project to bring it to completion.

A copy of specifications and working details are available for review in the Office of the City Clerk or in the Public Services Department, and are posted on the City website at:

<https://www.costamesaca.gov/city-hall/city-departments/public-services/capital-improvement-projects>

ANALYSIS:

The City Clerk received and opened nine (9) bids for the project on September 28, 2021. PUB Construction, Inc., was the apparent lowest bidder with a base bid proposal of \$1,757,917. Horizons Construction Company International, Inc. (Horizons), was the apparent second lowest bidder with a base bid proposal of \$2,166,920. PUB Construction, Inc., submitted a letter withdrawing its bid for Project No. 21-05 on September 29, 2021 due to clerical errors (Attachment 2), and the request for withdrawal was made within the allotted time of five (5) working days as stipulated in Public Contract Code, Section 5103(b).

Due to the withdrawal of PUB Construction, Inc., the proposal from Horizons is deemed as the apparent lowest bidder. The City Engineer's original estimate was \$1,958,005 and the average of the eight (8) bids received amounted to \$2,627,911.17. An analysis of the bids indicates that the apparent lowest bidder submitted a proposal that is eleven percent (11%) higher than the Engineer's estimate, but seventeen percent (17%) lower than the average of all bids. The discrepancy in the Engineer's estimate is attributable to the continual rise in construction material and labor costs experienced throughout the United States due to the supply chain backlog. The bid results are summarized in the bid abstract (Attachment 3).

The license and references of Horizons have been checked and staff found them to be in good standing.

Horizons will furnish the necessary bonds and insurance, which will be approved as to form by Risk Management. After the award and subsequent execution of the agreement, a "Notice to Proceed" will be issued.

Therefore, staff requests that City Council award the project to Horizons Construction Company International, Inc., as the lowest responsible bidder.

ALTERNATIVES:

The alternative to this Council action would be to reject all bids and re-advertise the project. Staff believes that re-advertising the project will not result in lower bids.

FISCAL REVIEW:

Funding for this project is included in FY 2021-22 Approved Capital Improvement Project (CIP) Budget; an additional appropriation of \$125,000 from the Jack Hammett Sports Complex Capital Improvement Fund (417) is requested to fully fund the contingency.

LEGAL REVIEW:

The City Attorney's Office has reviewed the report, prepared the Public Works Agreement, and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

In 2021, the City Council adopted a list of three-year goals. The project works toward achieving the following City Council goal:

- Strengthen the public's safety and improve the quality of life.

CONCLUSION:

Staff has evaluated the bids for Jack Hammett Sports Complex Parking Lot and ADA Upgrades Project, City Project No. 21-05, and recommends the City Council:

1. Adopt plans, specifications, and working details for the Jack Hammett Sports Complex Expansion Project, City Project No. 21-05.
2. Accept the bid withdrawal submitted by PUB Construction, Inc.
3. Award a Public Works Agreement (PWA) to Horizons Construction Company International, Inc., 432 W. Meats Avenue, Orange, CA 92865, in the amount of \$2,166,920.70 (Attachment 1).
4. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.
5. Authorize a budget adjustment of an additional \$125,000 from the Jack Hammett Sports Complex Capital Improvement Fund (417) and authorize an additional ten percent (10%) contingency as needed for any unforeseen costs related to this project.