MEETING DATE: September 19, 2017

TITLE: Joslyn Center Demolition – Award of Contract to Interior Demolition, Inc. for an Amount Not-to-Exceed $141,750

PRESENTED BY: Siobhan Foster, Director of Public Works

RECOMMENDATION: Award the contract for the Joslyn Center Demolition Project to Interior Demolition, Inc. as the lowest responsive and responsible bidder in an amount not-to-exceed $141,750 and authorize the Mayor to execute the contract.

EXECUTIVE SUMMARY:
Award the contract for the Joslyn Center Demolition Project to Interior Demolition, Inc. in an amount not-to-exceed $141,750.

BACKGROUND:
Following a public hearing on January 17, 2017, the City Council adopted Resolution CC 17-07, authorizing the approval of the Joslyn Center Demolition Project (Project) in the amount of $100,000 funded through the reallocation of and appropriation of Community Development Block Grant (CDBG) Funds.

On June 6, 2017, the City Council adopted Resolution No. 17-52 approving the FY 2018-2022 Capital Improvement Program (CIP) and the FY 2018 CIP Budget. The FY 2018 CIP Budget includes the $100,000 in previously appropriated CDBG funding for the Project, which provides for the demolition of the vacated Joslyn Center in Kelby Park in preparation for the construction of the Covina Senior and Community Center Project. The Lead Paint, Mold, and Asbestos Investigation of the building was completed in late-December 2016, funded by Special General Fund (Rule 20A Swap) balance appropriated by the City Council on January 16, 2016. The City Engineer prepared plans, specifications, and the cost estimate that were reviewed and approved by the Los Angeles Community Development Commission (LACDC).

The specific Project consists of the demolition and disposal of the existing Joslyn Center building, removal, abatement, and disposal of hazardous materials, such as lead paint, mold, and asbestos, and the installation of mulch on the demolished building footprint.

The funding is for the demolition of the existing Joslyn Center in Kelby Park, closed in January of 2016, in preparation for the construction of the Covina Senior and Community Center. Existing Project funds are insufficient to carry out the project. Unallocated funds from a prior year are available to fund an additional $75,000 for the project expense and administrative costs, for a total revised project budget of $175,000. Resolution CC 17-97, on the City Council agenda separately this evening, will authorize the budget increase.
DISCUSSION:
The Department of Public Works prepared plans and specifications for the Project and in accordance with Covina Municipal Code Section 2.20.100 (Notice Inviting Bids), bids were requested and received. The Project was advertised in the San Gabriel Valley Tribune on Thursday, August 3, 2017 and August 10, 2017. In addition, the Notice Inviting Bids was sent to McGraw Hill Construction/FW Dodge Company (Green Sheet).

Following advertising, bids received in the City Clerk’s office on August 31, 2017 are as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Contractor’s License</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Interior Demolition, Montrose</td>
<td>603409</td>
<td>$141,750.00</td>
</tr>
<tr>
<td>2. T3 Contractors, Inc., Riverside</td>
<td>867365</td>
<td>$154,000.00</td>
</tr>
<tr>
<td>3. AMPCO Contracting Inc., Anaheim</td>
<td>851752</td>
<td>$178,957.32</td>
</tr>
<tr>
<td>4. H2M Construction, Inc., Montclair</td>
<td>1001007</td>
<td>$298,000.00</td>
</tr>
</tbody>
</table>

The lowest bid received is approximately 42% higher than the Engineer’s Estimate of $100,000. The low bid is higher than the Engineer’s Estimate due to the costs associated for the removal, abatement, and disposal of the hazardous materials (lead paint and asbestos) that were identified to be present in the existing building. The City Engineer feels that the unit prices provided in the low bid are within industry cost standards and recommends that the City proceed with the project.

The Department of Public Works recommends that Interior Demolition, Inc. be awarded the contract for this project as the firm is the lowest responsive and responsible bidder. Interior Demolition, Inc. has not performed any demolition work for the City of Covina, but the firm is a well-known and respected demolition contractor in the Southern California region. Interior Demolition, Inc. has recently completed similar work for a variety of cities and public agencies, including the California Department of Transportation (Caltrans), City of Bakersfield, College of the Desert, and University of Southern California. Representatives of these agencies confirmed that Interior Demolition, Inc. successfully completed the projects listed and their agencies were satisfied with the contractor’s performance.

The contract for this project will be set as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Bid</td>
<td>$141,750</td>
</tr>
<tr>
<td>Contingency Allowance</td>
<td>$14,175</td>
</tr>
<tr>
<td>Contract “Not-to-Exceed” Amount</td>
<td>$155,925</td>
</tr>
</tbody>
</table>

Construction Management and Inspection Services
Pursuant to Exhibit A (Scope of Services), Section 1 (General and Project Management), and Section 4 (Construction Inspection) of the Professional Services Agreement between the City of Covina and RKA Consulting Group (RKA), approved by the City Council on September 1, 2015 and amended on July 19, 2016, June 20, 2017, and September 5, 2017, the City is using RKA to provide Professional Construction Management and Inspection Services for the Project in the amount of $12,325, as outlined in the attached proposal.

The Construction Management and Inspection Services can be completed within the approved total compensation amount of the Professional Services Agreement with RKA, which is an amount not-to-exceed $2,175,000 over the term of the Agreement. Included in this amount is a
total of $46,442 in compensation authority for necessary, unanticipated engineering-related services during FY 2018.

**FISCAL IMPACT:**
The estimated fiscal impact associated with the Joslyn Center Demolition Project is approximately $168,730 as outlined in the Project Summary below. The FY 2018 approved CIP Budget does not include sufficient CDBG funding for the Project (account no. 2100-SC17-55150-P1601). Adoption of Resolution CC 17-97, on the City Council agenda separately this evening, would appropriate an additional $75,000 in available CDBG funds for the Project expense and administrative costs, for a total revised budget of $175,000.

The following table represents the Project summary:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Bid (Interior Demolition, Inc.)</td>
<td>$141,750</td>
</tr>
<tr>
<td>Contingency Allowance (10%)</td>
<td>$14,175</td>
</tr>
<tr>
<td>Advertising</td>
<td>$480</td>
</tr>
<tr>
<td>Construction Management and Inspection Services (RKA Consulting Group)</td>
<td>$12,325</td>
</tr>
<tr>
<td><strong>Total Fiscal Impact</strong></td>
<td><strong>$168,730</strong></td>
</tr>
</tbody>
</table>

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**
This project has been determined to be categorically exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Section 15301(l)(3). This exemption includes the demolition and removal of small structures.

Respectfully submitted,

[Signature]

Siobhan Foster  
Director of Public Works

**ATTACHMENTS:**
Attachment A: Location Map  
Attachment B: Bid Summary  
Attachment C: RKA Proposal for Construction Management Services for the Joslyn Center Demolition Services  
Attachment D: Agreement between City of Covina and Interior Demolition, Inc. for Joslyn Center Demolition Services
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Total</th>
<th>Unit Price</th>
<th>Total</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobilization (5% Maximum of Total Bid Price)</td>
<td>1</td>
<td>LS</td>
<td>6,750.00</td>
<td>6,750.00</td>
<td>7,700.00</td>
<td>7,700.00</td>
<td>8,500.00</td>
<td>8,500.00</td>
</tr>
<tr>
<td>2</td>
<td>Building Demolition and Disposal including all Hazardous Materials</td>
<td>1</td>
<td>LS</td>
<td>110,000.00</td>
<td>110,000.00</td>
<td>136,300.00</td>
<td>136,300.00</td>
<td>158,312.43</td>
<td>158,312.43</td>
</tr>
<tr>
<td>3</td>
<td>Install 3&quot; Mulch in Demolished Building Footprint Areas</td>
<td>25,000</td>
<td>SF</td>
<td>1.00</td>
<td>25,000.00</td>
<td>0.40</td>
<td>10,000.00</td>
<td>0.49</td>
<td>12,144.89</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Base Bid</strong></td>
<td></td>
<td></td>
<td><strong>$141,750.00</strong></td>
<td><strong>$154,000.00</strong></td>
<td><strong>$178,557.32</strong></td>
<td><strong>$288,006.00</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
September 11, 2017

Siobhan Foster
Director of Public Works
City of Covina
125 E. College Street
Covina, CA 91723

RE: PROPOSAL FOR ENGINEERING SERVICES FOR CONSTRUCTION MANAGEMENT FOR THE JOSLYN SENIOR CENTER BUILDING DEMOLITION SERVICES CDBG PROJECT NO. 601862-16

Dear Ms. Foster:

RKA Consulting Group is pleased to submit to you our fee proposal to provide professional project construction management services for the Joslyn Senior Center Building Demolition Services.

Scope of Work


- Upon the bid opening, RKA is always readily available to ensure the timely completion of the project by the contractor. RKA will evaluate the bid results, perform the necessary research of references of the apparent lowest responsible and responsive bidder, and prepare the City Council Agenda Report recommending project awards.
- During construction, RKA will review RFI’s and submittals that may be necessary for the project and provide a written response within three (3) business days of receipt.
- Per Federal labor compliance requirements, RKA will adhere to performing the necessary interviews of the contractors and sub-contractors. The frequency of the inspections is to be 10% of every trade, once per month. Once the project schedule is reviewed, the labor compliance interviews will be scheduled to be conducted with as many trades as possible.
- Responsible for coordinating and conducting the pre-construction meeting.
- RKA will prepare for and provide the necessary compliance documents to the contractor, including the Section 3 certifications required of the contractor.
• A specific list of the items required of the contractors and subcontractors will be presented, along with the expectation to review the project schedule to identify potential labor compliance dates.
• Due to the strict timeline on this project, RKA will follow up with the contractor to ensure all Section 3 requirements are executed.
• RKA will ensure the contractor distributes the necessary public construction notices and will respond to public requests and concerns.
• RKA will review the project costs on a weekly basis to identify any savings or potential cost over-runs. To minimize the potential for discrepancies in the overall cost of the project, RKA will review with the contractor all of the quantities.
• RKA will conduct as needed progress meetings with the contractor and City staff to ensure adherence to the schedule.
• RKA will maintain the project files per the participating and non-participating segments. Additionally, by conducting ongoing maintenance of the project files, less time will be required at the end of the project.
• RKA will review all Certified Payroll Reports and provide notice to the contractor of any observed deficiencies or violations. RKA will review all certified payroll reports to ensure that all contractors comply.
• This proposal assumes that the contractor and sub-contractors will resolve labor compliance deficiencies and violations in a timely manner upon receipt of the above-mentioned notice. Should efforts beyond an initial and second notice be required by RKA (including additional notices, meetings, or research, etc.), this is considered to be out of the scope and therefore, the additional time and effort necessary will be provided on a time and materials basis.
• Should a willful violation be noted, the prime contractor is issued a notice of violation and the appropriate documentation is submitted to the Los Angeles County Community Development Commission and State of California Department of Industrial Relations (DIR).
• RKA will review all applications for payments and verify against the project schedule and cost schedule to ensure proper schedule is made by the City.
• Potential change orders will be reviewed by the Construction Manager and Inspector for application to the project. If a change order is deemed necessary, RKA will inform the City and will conduct the appropriate negotiations to establish the scope of work, price and time of completion.
• All of the approved change orders will require updating on the final project schedule, and will be completed by RKA.
• At the completion of the construction phase of the project, it will be necessary to close out the project. The following will be included in the contract closeout:
  - Final inspection reports will be provided to the City to support the as-built plans and substantiate the release of the retention.
  - Prepare as-built plans to incorporate the Contractor’s redline revisions. Provide the City a set of Mylar plans and a CD of the CAD files.
Fee Proposal

The estimated fee for the requested project management services is $12,325. The preceding amount is based upon a time and materials, not-to-exceed amount for the specified construction period. If the projects extend beyond the specified construction period and require additional hours of staff time, the additional time will be billed per the hourly rates included on this proposal pending City approval.

Hourly Rate Schedule

<table>
<thead>
<tr>
<th>Role</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>$140.00</td>
</tr>
<tr>
<td>Project Engineer</td>
<td>$115.00</td>
</tr>
</tbody>
</table>

We appreciate the opportunity to provide this proposal and look forward to working with you on this project. If you should have any questions, please do not hesitate to contact me via email at chowing@rkagroup.com or by phone at (909) 594-9702.

Sincerely,

Cody Howing
Director of Engineering
## JOSLYN SENIOR CENTER BUILDING DEMOLITION SERVICES CDBG PROJECT NO. 601862-16

<table>
<thead>
<tr>
<th>Phase 1 - Construction Management Services</th>
<th>Project Manager $140/hr</th>
<th>Project Engineer $115/hr</th>
<th>Total Labor Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1 - Construction Management</td>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>95</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>105</td>
</tr>
</tbody>
</table>

| Phase 1 Subtotal Hours                     | 10                      | 95                       | 105               |

| Phase 1 Subtotal Fee                       | $1,400                  | $10,925                  |
|                                           |                         |                          | $12,325           |

| Total Fee                                  | $12,325.00              |                          |                   |
CONTRACT

CITY OF COVINA CONTRACT FOR
JOSLYN SENIOR CENTER BUILDING DEMOLITION SERVICES

THIS CONTRACT ("Contract") is made and entered this ______ day of ________, 20____ ("Effective Date"), by and between the CITY OF COVINA, a California municipal corporation ("City") and ______________________, a [Legal Form of Entity and state of formation, e.g., California corporation, limited partnership, limited liability company] ("Contractor"). Contractor's California State Contractor's license number is ____________.

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Contract Documents.** The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid (including documentation accompanying the Bid and any post-Bid documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. The Contract Documents are attached hereto and incorporated herein by reference. In the event of any conflict between the terms of this Contract and any incorporated documents, the terms of this Contract shall control.

2. **Scope of Services.** Contractor shall perform the Work in a good and workmanlike manner for the project identified as Joslyn Senior Center Building Demolition Services ("Project"), as described in this Contract and in the Contract Documents.

3. **Compensation.** In consideration of the services rendered hereunder, City shall pay Contractor an amount not to exceed ____________________ dollars ($_______) in accordance with the prices as submitted in the Bid, attached hereto as Exhibit "A" and incorporated herein by this reference.

4. **Incorporation by Reference.** All of the following documents are attached hereto and incorporated herein by this reference: Workers' Compensation Certificate of Insurance, Additional Insured Endorsement (Comprehensive General Liability), Additional Insured Endorsement (Automobile Liability), and Additional Insured Endorsement (Excess Liability).

5. **Antitrust Claims.** In entering into this Contract, Contractor offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. § 15) or under the Cartwright Act (Cal. Bus. & Prof. Code, § 16700 et seq.) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.

6. **Prevailing Wages.** City and Contractor acknowledge that the Project is a public work to which prevailing wages apply. The provisions of Section 7-2 of the General Provisions shall apply and are mandatory for this Project.

7. **Workers' Compensation.** California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows:
"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

8. **Titles.** The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

9. **Authority.** Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

10. **Entire Agreement.** This Contract, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between City and Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Contract.

11. **Counterparts.** This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

**IN WITNESS WHEREOF,** the parties hereto have executed the Contract the day and year first above written.

[**SIGNATURE PAGE FOLLOWS**]
CITY OF COVINA

By: ____________________________
   Mayor

APPROVED AS TO FORM:

By: ____________________________
   City Attorney

ATTEST:

By: ____________________________
   City Clerk

Dated: __________________________

("CONTRACTOR")

By: ____________________________

Printed Name: ____________________

Title: ____________________________

By: ____________________________

Printed Name: ____________________

Title: ____________________________