

RESOLUTION NO. 2020-141

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2020-, AWARDING THE CITY OF MARINA MUNICIPAL IMPROVEMENTS ON-CALL CONTRACT TO DON CHAPIN COMPANY, INC OF SALINAS, CALIFORNIA FOR AN ANNUAL CONTRACT AMOUNT NOT TO EXCEED \$1,000,000, AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT DOCUMENTS AND ALL WORK AND CHANGE ORDERS ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES

WHEREAS, at the regular meeting of May 21, 2019, the City Council of the City of Marina adopted Resolution No. 2019-54, receiving the proposed 2019-20 & 2020-21 Capital Improvement Program (CIP) budget, receiving staff presentation thereof, and providing direction towards the CIP budget adoption. As part of the staff presentation, the City's annual street resurfacing project was introduced with Senate Bill 1 Road Maintenance and Rehabilitation Account funds, Measure X and General Fund funding a FY 19/20 budget for roadway maintenance, and;

WHEREAS, currently the City does not have an on-call contract for municipal improvements to expedite the execution of the Citywide Street Repair Program and other related projects, and;

WHEREAS, this on-call contract is similar to a job order contract, which will augment the City staff, and provide a readily available work force to repair existing City's infrastructure, conduct emergency repairs and new construction, as the City deems appropriate, and;

WHEREAS, at the regular meeting of August 18, 2020, the City Council adopted Resolution 2020- approving advertising and call for bids for the City of Marina Municipal Improvement On-Call Contract and accepting the Specifications, and;

WHEREAS, on October 14, 2020, one sealed bid was received, opened, and publicly read via live video feed for the City of Marina Municipal Improvements On-Call Contract, and;

WHEREAS, the only bid in the amount of \$260,299.40 from Don Chapin Company Inc. of Salinas California, was reviewed, and found to be responsive. Don Chapin Company Inc. is a local company and has worked and successfully completed city projects in the past. Don Chapin Company Inc. is currently working with neighboring agency, City of Monterey, on their job order contract similar to this on-call contract. Staff experience working with Don Chapin Company is favorable and company's work quality is commendable, and;

WHEREAS, the bid schedule was used to capture the unit prices and percentages that will be used for estimating and issuance of work orders, and;

WHEREAS, the awarding of the proposed construction contract does not have fiscal impact and no minimum annual dollar value of work is guaranteed by the City. The Don Chapin Co. Inc contract will be for a term of one (1) year with a not to exceed annual funding limit of \$1,000,000. The agreement will include an option for an additional one (1) year extension with a not to exceed annual funding limit of \$1,000,000. The total term of this agreement will not exceed two (2) years. The amount of work to be requested during the one year or optional additional year twelve-month contract period cannot be well defined at the outset. Work shall be issued through Work Orders, and;

WEREAS, Work Orders issued under this contract will be funded by its respective approved Capital Improvement Project funding. In the case of emergency repairs, staff will bring a budget appropriation recommendation to City Council for approval, and;

WHEREAS, The City of Marina Planning Division determined that this action, the awarding of construction contract for the City of Marina Municipal Improvements on Call Contract 2020 is Categorical Exemptions under CEQA guidelines §15300.1. Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which public agencies exercise only ministerial authority. Since ministerial projects are already exempt, Categorical Exemptions should be applied only where a project is not ministerial under a public agency's statutes and ordinances. The inclusion of activities which may be ministerial within the classes and examples contained in this article shall not be construed as a finding by the Secretary for resources that such an activity is discretionary, and;

WHEREAS, each project that will be issued under the City of Marina Municipal Improvements On-call Contract 2020 will require a CEQA determination and shall comply accordingly, and;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina to:

1. Adopting Resolution No. 2020-, awarding the City of Marina Municipal Improvements On-Call Contract to Don Chapin Company of Salinas, California for an annual contract amount not to exceed \$1,000,000, and an option for an additional one (1) year extension with a not to exceed annual funding limit of \$1,000,000, and
2. Authorizing the City Manager or designee to execute contract documents and all work and change orders on behalf of the City subject to final review and approval by the City Attorney, and,
3. Authorizing Finance Director to make necessary accounting and budgetary entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 4th day of November 2020, by the following vote:

AYES: COUNCIL MEMBERS: Burnett, Berkley, O'Connell, Morton, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Bruce Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

A9 FORM OF CONTRACT FOR

City of Marina Municipal Improvements On-Call Contract 2020

THIS AGREEMENT made and entered into this ____, day of _____ 2020, by and between The City of Marina, a municipal corporation of the State of California, hereinafter called "City of Marina" or "City" and "Don Chapin Company Inc". or Contractor,"

W I T N E S S E T H:

FIRST: Contractor hereby covenants and agrees to furnish and provide all labor, materials, tools, appliances, equipment, plant and transportation, and all other things required or necessary to be furnished, provided or done, and build, erect, construct and complete the work at the time and in the manner provided, and in strict accordance with the plans and specifications therefore, for **PROJECT** adopted by the Council of the City of Marina on ____

SECOND: It is expressly understood and agreed that this contract consists of the following documents, all of which are incorporated into this agreement and made a part hereof as fully and completely as if set forth herein verbatim, to wit:

- a. Accepted Proposal;
- b. Proposal Guaranty Bond;
- c. Contract Agreement;
- d. Performance Bond;
- e. Bond for Labor and Material;
- f. Proposal Supplement Including an Experience Statement and List of Proposed Subcontractors;
- g. These Specifications;
- h. The California State Standard Specifications and Standard Details 2018; and
- i. Insurance.

THIRD: That said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work embraced and contemplated in this Agreement and as set forth in the Proposal adopted by the City of Marina, a true copy thereof hereto attached, also, for all loss or damage arising out of the nature of said work, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until the acceptance thereof by the City of Marina and for all risk connected with the work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the said Plans and Specifications and the provisions of this Agreement, and the requirements of the Engineer under them, to wit: The unit prices and percentages as set forth in the Proposal of said Contractor for the work to be constructed and completed under this Agreement. Work Orders are prepared and issued using the unit prices and percentages as set forth in the Proposal of said Contractor. This agreement is for an **annual contract amount of one million dollars (\$1,000,000.00) and an option for an additional one (1) year extension with a not to exceed annual funding limit of one million dollars (\$1,000,000.00)**

The undersigned Contractor further agrees to so plan the work and to prosecute it with such diligence that said work, and all of it, shall be completed on or before the expiration of the time specified in the Special Provisions after execution of the contract on behalf of the City of Marina and the receipt from the City of Marina of a notice to proceed with the work.

FOURTH: The City of Marina hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the price aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the Specifications; and the said parties, for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

FIFTH: No interest in this agreement shall be transferred by the Contractor to any other party, and any such transfer shall cause the annulment of this contract, so far as the City of Marina is concerned. All rights of action, however, for any breach of this contract are reserved to City.

SIXTH: Contractor shall keep harmless and indemnify the City of Marina, its officers and employees and agents, from all loss, damage, cost or expense that arises or is set up for infringement of patent rights of anyone for use by the City of Marina, its officers, employees or agents, of articles supplied by the Contractor under this contract, of which he is not entitled to use or sell. Contractor agrees to, at his own cost and expense, defend in court the City, its officers, agents and employees, in any action which may be commenced or maintained against them or any of them, on account of any claimed infringement of patent rights, arising out of this agreement.

SEVENTH: The Contractor agrees to immediately repair and replace all defective material and workmanship discovered within one year after acceptance of final payment by Contractor and to indemnify said City of Marina against all loss and damage occasioned by any such defect, discovered within said year, even though the damage or loss may not be ascertained until after the expiration thereof. Provided, however, that if such failure of the Contractor to perform should not, by reasonable diligence, be discoverable or discovered within said one year, then the obligation of the Contractor to repair and replace said defective material or workmanship shall continue until one year after the actual discovery thereof.

EIGHTH: The Contractor agrees at all times during the progress of the work to carry with insurance carriers approved by the City of Marina full coverage workmen's compensation and public liability insurance in the form and to the extent called for in Section 7-1.06 of the Standard Specifications, State of California, 2018 Edition. Such insurance policy shall contain an endorsement that the same shall not be canceled nor the amount of coverage be reduced until at least 30 days after receipt by the City of Marina by certified or registered mail of a written notice of such cancellation or reduction in coverage.

NINTH: Contractor agrees to comply with all applicable federal, state and municipal laws and regulations, including but not limited to California Labor Code Division 2, Part 7, Chapter 1 regarding Public Works and Public Agencies.

TENTH: ATTORNEY'S FEES. In the event of any controversy, claim or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

ELEVENTH:

COMPLIANCE WITH PROVISIONS OF LAW.

- a) The City is subject to laws relating to public agencies which are part of this contract as though fully set forth herein.
- b) Contractor shall comply with City of Marina Municipal Code Chapter 13.02 Local Hiring for Public Works.
- c) Contractor shall comply with laws relating to the work.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date first above written.

CONTRACTOR

CITY OF MARINA

By: _____

By: _____
Layne P. Long, City Manager

Print Name: _____

Date: _____

Address: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Robert Wellington, City Attorney

By: _____

Date: _____

Date: _____

ATTESTED:

Anita Shepherd-Sharp, Deputy City Clerk

Date: _____

Resolution No. 2020-__

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of November 4, 2020

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2020-,
AWARDING THE CITY OF MARINA MUNICIPAL IMPROVEMENTS ON-
CALL CONTRACT TO DON CHAPIN COMPANY, INC OF SALINAS,
CALIFORNIA FOR AN ANNUAL CONTRACT AMOUNT NOT TO EXCEED
\$1,000,000; AUTHORIZING THE CITY MANAGER TO EXECUTE CONTRACT
DOCUMENTS AND ALL WORK AND CHANGE ORDERS ON BEHALF OF
THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY
ATTORNEY, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE
NECESSARY ACCOUNTING AND BUDGETARY ENTRIES**

REQUEST:

It is requested that the City Council consider the following action:

1. Adopting Resolution No. 2020-, awarding the City of Marina Municipal Improvements On-Call Contract to Don Chapin Company of Salinas, California for an annual contract amount not to exceed \$1,000,000, and an option for an additional one (1) year extension with a not to exceed annual funding limit of \$1,000,000, and,
2. Authorizing the City Manager or designee to execute contract documents and all work and change orders on behalf of the City subject to final review and approval by the City Attorney, and,
3. Authorizing Finance Director to make necessary accounting and budgetary entries.

BACKGROUND:

At the regular meeting of May 21, 2019, the City Council of the City of Marina adopted Resolution No. 2019-54, receiving the proposed 2019-20 & 2020-21 Capital Improvement Program (CIP) budget, receiving staff presentation thereof, and providing direction towards the CIP budget adoption. As part of the staff presentation, the City's annual street resurfacing project was introduced with Senate Bill 1 Road Maintenance and Rehabilitation Account funds, Measure X and General Fund funding a FY 19/20 budget for roadway maintenance.

At the regular meeting of May 16, 2019, the Public Works Commission received a presentation on the scope of the 2-year Citywide Street Repair Program.

Currently the City does not have an on-call contract for municipal improvements to help expedite the execution of the Citywide Street Repair Program and other related projects.

This on-call contract is similar to a job order contract, which will augment the City staff, and provide a readily available work force to repair existing City's infrastructures, conduct emergency repairs and new construction, as the City deems appropriate for roadways, storm drain system, street lights and other related work. In general, the work consists of repairs, replacement, and construction of concrete and hot mix asphalt pavements, curbs, gutters, sidewalks, sidewalk crossings, curb ramps, cross gutters, decomposed granite walkways, lighting, catch basins, manholes, installation of pipes and miscellaneous associated work at such times and locations as required.

The Bid Schedule includes a Base Bid to establish unit prices for various construction items , an Additive Bid 1, General Construction, to establish a percentage for cost of bonds, insurance mobilization and demobilization, environmental pollution prevention etc. and Additive Bid 2, Premium Labor, to establish percentage for labor cost for holidays and outside normal working hours as specified in the Specifications. The Grand Total Bid is the sum of the base bid, additive bids 1 and 2 and was used as the basis for the lowest responsive bid.

The bid schedule is used to capture the unit prices and percentages that will be used for estimating and issuance of work orders.

At the regular meeting of August 18, 2020, the City Council adopted Resolution 2020-106 approving advertising and call for bids for the City of Marina Municipal Improvement On-Call Contract and accepting the Specifications.

A Notice to Bidders was sent to various Builders Exchanges, several local contractors and was posted on the Ebidboard. Follow up phone calls to all contractors that were on the bidder's list was done to ensure receipt of invitation to bid and addendum.

ANALYSIS:

On October 14,2020, one sealed bid was received, opened, and publicly read via live video feed for the City of Marina Municipal Improvements On-Call Contract.

Following is the bid summary:

Name of Company and Address	Base Bid (BB)	Additive Bid 1 (AB 1)	Additive Bid 2 (AB 2)	Grand Total Bid (BB +AB 1 &2)
Don Chapin Company, Inc. Salinas, CA	\$208,239.52	\$20,823.95	\$31,235.95	\$260,299.40

The Engineer's estimate includes a Base Bid of \$221,180.75 and Additive Bids 1 and 2 of \$33177.11and \$ 22,118.08, respectively, for a Total bid of \$276,475.94.

The only bid in the amount of \$260,299.40 from Don Chapin Company Inc. of Salinas California, was reviewed, and found to be responsive. The Don Chapin Company Inc. is a local company and has worked and successfully completed city projects in the past. Don Chapin Company Inc. is currently working with the City of Monterey on their job order contract similar to this on-call contract. Staff experience working with Don Chapin Company is favorable and company's work quality is commendable.

The unit prices and percentages on the Don Chapin's bid were compared to those of the City of Monterey job order contract unit prices and percentages and is within the inflation rate from 2018 to 2020.

Having the on-call contract will help the City quickly respond to construction emergencies and provide the ability to deliver smaller projects on time with staff time savings and possible cost savings.

FISCAL IMPACT:

The awarding of the proposed construction contract does not have fiscal impact and no minimum annual dollar value of work is guaranteed by the City.

The construction contract with Don Chapin Company, Inc will be awarded for a term of one (1) year with a not to exceed annual funding limit of \$1,000,000. The agreement will include an option for an additional one (1) year extension with a not to exceed annual funding limit of \$1,000,000. The total term of this agreement will not exceed two (2) years. The amount of work to be requested during the 1st year or optional 2nd year contract period cannot be well defined at the outset. Work shall be issued through Work Orders.

Work orders issued under this contract will be funded by respective approved Capital Improvement Project funding. In the case of emergency repairs, staff will bring a budget appropriation recommendation to City Council for approval.

California Environmental Quality Act (CEQA)

The City of Marina Planning Division determined that this action, the awarding of construction contract for the City of Marina Municipal Improvements on Call Contract 2020 is Categorical Exemptions under CEQA guidelines §15300.1. Section 21080 of the Public Resources Code exempts from the application of CEQA those projects over which public agencies exercise only ministerial authority. Since ministerial projects are already exempt, Categorical Exemptions should be applied only where a project is not ministerial under a public agency's statutes and ordinances. The inclusion of activities which may be ministerial within the classes and examples contained in this article shall not be construed as a finding by the Secretary for resources that such an activity is discretionary.

Each project that will be issued under the City of Marina Municipal Improvements on Call Contract 2020 will require a CEQA determination and shall comply accordingly.

CONCLUSION:

The City Council may reject these recommendations; however, having the City of Marina Municipal Improvements On-Call Contract 2020 in placed will and provide a readily available work force to repair existing City infrastructure, conduct emergency repairs and increase City's efficiency in project delivery.

Therefore, the staff recommends the approval and adoption of Resolution No. 2020- for the following action:

1. Awarding the City of Marina Municipal Improvements On-Call Contract to Don Chapin Company of Salinas, California for annual contract amount of \$1,000,000, and an option for an additional one (1) year extension with a not to exceed annual funding limit of \$1,000,000 (**"EXHIBIT A"**); and,
2. Authorizing the City Manager or designee to execute contract documents and all work and change orders on behalf of the City subject to final review and approval by the City Attorney, and,
3. Authorizing Finance Director to make necessary accounting and budgetary entries.

Respectfully submitted,

Elvira Morla-Camacho, P.E., QSD
Project Management Services
Wallace Group

REVIEWED/CONCUR:

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

Layne P. Long
City Manager
City of Marina