

CITY COUNCIL

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 18

Date: March 28, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Edward Domingue, Director of Engineering Services
Bud Oliveira, Special Projects Manager

SUBJECT: Status Report, Budget Adjustment and Bid Award - Daley Ranch

RECOMMENDATION:

It is requested that Council accept status report; approve a budget adjustment totaling \$725,550 for the road rehabilitation project and other Daley Ranch improvements; and adopt Resolution No. 2012-33 authorizing the Mayor and the City Clerk to execute a public improvement agreement with Asphalt and Concrete Enterprises, Inc. in the amount of \$165,868 for the Daley Ranch Access Road Rehabilitation Project.

FISCAL ANALYSIS:

Funding for the on-going renovation of the historic ranch house was established in the Capital Improvement Program (CIP) using \$700,000 in designated General Fund revenue generated by the sale of Daley Ranch Conservation Bank credits. Approximately \$568,000 has been expended to date on the renovation, with additional expenditures needed to complete the renovation and associated site improvements, construct a restroom building, and rehabilitate the road as detailed on the attached exhibit.

Two budget adjustments are proposed to transfer an additional \$725,550 into CIP account no.104901 for the combined Daley Ranch improvements. This includes the transfer of an additional \$200,000 (\$205,275 available balance) from the designated General Fund revenue generated by the habitat credit sales and a transfer of \$525,550 (\$1,444,592 available balance) from the Daley Ranch Restoration account. The City is required by our Conservation Bank agreement with the wildlife agencies to maintain a minimum balance of \$500,000 within the Restoration Fund, and the remaining \$929,592 is available for General Fund purposes. After the budget adjustment, \$5,275 will remain in the designated General Fund account and \$419,042 will remain available in the Restoration Fund account for future expenditures at the City Council's discretion. Both these accounts will continue to be replenished with future credit sales.

CORRELATION TO THE CITY COUNCIL ACTION PLAN:

This item relates to the Council's Action Plan regarding Image and Appearance.

PREVIOUS ACTION:

On February 2, 2005, the City Council authorized the General Fund portion of future credit sales to be designated for future improvement of the ranch house. On November 16, 2005, the City Council considered alternatives for improvement and public use of the ranch house, and approved Option D to enable the ranch house to be available for public use. This option included renovation of the ranch house and garage with multiple restroom facilities and storage areas, and associated improvements for ADA accessibility, fire protection and septic system operation, at an estimated cost of approximately \$471,000; rehabilitation of the access road was not included in this estimate. On July 15, 2009, Council approved the current design as recommended by the Appearance Committee and the Historical Preservation Commission. This design encompassed the renovation of the ranch house in anticipation of public use, site improvements to meet ADA accessibility and brush clearing requirements, installation of restroom facilities in a freestanding structure across the road from the ranch house, and exploring the availability of potable water for a drinking fountain.

BACKGROUND:

Improvements to the ranch house are well underway and are anticipated to be completed by the summer of 2012. Remaining work includes completion of the ranch house restoration and the construction of a new, separate restroom building. The restroom facilities are currently designed to include a septic system, but might need to go with another disposal option depending on the success of ground testing and processing with the County Department of Environmental Health. Funds hereby requested also will provide for ranch house furnishings, including tables and chairs for events. Once the ranch house repairs/improvements are completed, these facilities will support future recreational as well as revenue options for the City.

The access road project involves the rehabilitation of the existing road between the Lake Dixon gate and the ranch house. Numerous potholes and deteriorating pavement sections have compromised the integrity of this access road. The existing condition of this access makes it difficult to provide emergency and fire protection services to Daley Ranch. In addition, weekend shuttle access to the ranch house area for hikers and day use has been discontinued due to the poor condition of the access road.

Work to be performed will be along the same alignment and footprint of the existing road. The existing road will be recycled in-place, minimizing costs for additional import of base material as well as impacts on landfills. The recycled base material will be moisture conditioned, compacted and shaped into the desired grade and overlaid with a three-inch thick lift of asphalt pavement. Once this project is completed the rehabilitation work will enhance both the safety and recreational elements of Daley Ranch for many years to come.

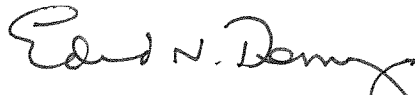
The Engineer's Estimate for the access road project is \$165,000 to \$185,000.

On March 8, 2012, the City of Escondido received fifteen (15) sealed bids on response to its advertised request for bids on the access road project. The sealed bids were opened by the City Clerk with the following bid results:

Asphalt & Concrete Enterprises, Inc.	\$165,868.00
SRM Contracting & Paving	\$166,900.00
ATP general Engineering Contractors	\$166,820.00
George Weir Asphalt	\$169,590.00
RAP Engineering	\$169,901.80
Ben's Asphalt	\$171,865.00
Hazard Construction	\$173,800.00
United Paving Company	\$176,507.00
Angus Asphalt, Inc.	\$178,300.00
Southland Paving, Inc.	\$178,900.00
T.C. Construction	\$179,380.00
Interwest Pacific, Ltd.	\$193,300.00
NPG Corporation	\$201,808.00
Sealright paving	\$214,418.53
All American Asphalt	\$217,140.00

Staff recommends approval of a budget adjustment totaling \$725,550 to augment the CIP budget for the Daley Ranch Access Road Rehabilitation Project and other Daley Ranch improvements and furnishings. Staff also recommends the bid submitted by Asphalt & Concrete Enterprises, Inc. be considered the lowest responsive and responsible bidder and the contract be awarded to Asphalt & Concrete Enterprises, Inc. in the amount of \$165,868.00. The budget adjustment includes \$210,000 of funding for the road rehabilitation project for the contract cost, in-house inspection services, material compliance testing, field testing services and contingencies for the completion of the road rehabilitation project.

Respectfully submitted,



Edward N. Domingue, P.E.
Director of Engineering Services



Bud Oliveira
Special Projects Manager

DALEY RANCH - RANCH HOUSE IMPROVEMENTS EXHIBIT
CIP 229-104901

Revenue:	
Original CIP Budget (Ranch House Improvements)	\$700,000
Budget Adjustment from General Fund Credit Payments *	\$200,000
Budget Adjustment from Restoration Fund (122) Account**	\$525,550
Total Revenue	\$1,425,550
Expenditures:	
Expenditures to Date for Ranch House Improvements (through 3-12-12)	\$567,581
Additional Costs to Complete Ranch House	\$458,519
Restroom Building	\$174,450
Furnishings	\$15,000
Access Road Paving	\$210,000
Total Expenditures	\$1,425,550

* \$ 205,275 available as of January 31, 2012

** \$ 929,592 available as of January 31, 2012, retaining minimum balance of \$500,000 in Restoration Fund account pursuant to the Daley Ranch Conservation Bank Implementing Agreement

CITY OF ESCONDIDO
BUDGET ADJUSTMENT REQUEST

Date of Request: March 13, 2012

Department: Community Development

Division: Planning Division

Project/Budget Manager: Barbara Redlitz 4546
Name Extension

Council Date (if applicable): March 28, 2012
(attach copy of staff report)

For Finance Use Only

Log # _____

Fiscal Year _____

_____ Budget Balances

_____ General Fund Accts

_____ Revenue

_____ Interfund Transfers

_____ Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Reserve for Daley Ranch General Fund Credit Payments - Ranch Improvements	3017-001-000		200,000.00
Daley Ranch Restoration Fund Balance	3050-122-000		525,550.00
Daley Ranch - Ranch House Improvements	229-104901	725,550.00	
Transfer In	4999-229	725,550.00	
Transfer Out	5999-001	200,000.00	
Transfer Out	5999-122	525,550.00	

Explanation of Request:

Additional funds are necessary for the completion of renovations to the Ranch House and for the construction of a Restroom Building and to pave the Access Road.

APPROVALS

<u>Barbara Reddy</u>	<u>3-19-12</u>	<u>[Signature]</u>	<u>3-19-12</u>
Department Head	Date	City Manager	Date
<u>John Corbett</u>	<u>3/19/12</u>	<u>[Signature]</u>	<u>3-19-12</u>
Finance	Date	City Clerk	Date

Distribution (after approval):

Original: Finance

RESOLUTION NO. 2012-33

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AWARDING A BID FOR THE DALEY RANCH
ACCESS ROAD REHABILITATION PROJECT
AND AUTHORIZING THE MAYOR AND CITY
CLERK, TO EXECUTE, ON BEHALF OF THE
CITY A PUBLIC IMPROVEMENT AGREEMENT
WITH ASPHALT & CONCRETE ENTERPRISES,
INC.

WHEREAS, the City Council has allocated funding for the Daley Ranch restoration; and

WHEREAS, a notice inviting bids for the Daley Ranch Access Road rehabilitation Project was duly published, and pursuant to said notice, Asphalt & Concrete Enterprises, Inc. submitted a bid; and

WHEREAS, Asphalt & Concrete Enterprises, Inc. was determined to be the lowest responsive and responsible bidder; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to award this Public Improvement Agreement ("Agreement") to Asphalt & Concrete Enterprises, Inc.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the Mayor and the City Clerk are authorized to execute on behalf of the City, an Agreement with Asphalt & Concrete Enterprises, Inc. in substantially similar form to that which is attached and incorporated to this Resolution as Exhibit "A," and subject to final approval as to form by the City Attorney.

PUBLIC IMPROVEMENT AGREEMENT

This "Agreement", dated the _____ day of _____, 20____, in the County of SAN DIEGO, State of California, is by and between **THE CITY OF ESCONDIDO** (hereinafter referred to as "CITY"), and Asphalt & Concrete Enterprises, Inc. (hereinafter referred to as "CONTRACTOR").

The CITY and the CONTRACTOR, for the consideration stated herein, agree as follows:

1. The complete contract includes all of the Project Documents described in the General Conditions, which are incorporated by reference. The Project Documents are complementary, and what is called for by any one shall be as binding as if called for by all.
2. CONTRACTOR shall perform within the time set forth in Paragraph 4 of this Agreement everything required and reasonably inferred to be performed, and shall provide and furnish all the labor, materials, necessary tools, expendable equipment, and all utility and transportation services as described in the complete contract and required for construction of

Daley Ranch Access Road Rehabilitation Project

All of said work to be performed and materials to be furnished shall be completed in a good workmanlike manner, free from defects, in strict accordance with the plans, drawings, specifications and all provisions of the complete contract as hereinabove defined. The CONTRACTOR shall be liable to the CITY for any damages and resulting costs, including consultants' costs, arising as a result of a failure to fully comply with this obligation, and the CONTRACTOR shall not be excused with respect to any failure to so comply by any act or omission of the Architect, Engineer, Inspector, or representative of any of them, unless such act or omission actually prevents the CONTRACTOR from fully complying with the requirements of the Project Documents, and unless the CONTRACTOR protests at the time of such alleged prevention that the act or omission is preventing the CONTRACTOR from fully complying with the Project documents. Such protest shall not be effective unless reduced to writing and filed with the CITY within **three (3) working days** of the date of occurrence of the act or omission preventing the CONTRACTOR from fully complying with the Project documents.

3. CITY shall pay to the CONTRACTOR, as full consideration for the faithful performance of the contract, subject to any additions or deductions as provided in the Project documents, the sum of One Hundred Sixty Five Thousand Eight Hundred Sixty Eight Dollars (\$165,868.00).
4. The work shall be commenced on or before the twenty-first (21st) day after receiving the CITY'S Notice to Proceed and shall be completed within **twenty five (25) working days** from the date specified in the Notice to Proceed.
5. Time is of the essence. If the work is not completed in accordance with Paragraph 4 above, it is understood that the CITY will suffer damage. It being impractical and infeasible to determine the amount of actual damage(s), in accordance with Government Code Section 53069.85, it is agreed that CONTRACTOR shall pay to CITY as fixed and liquidated damages, and not as a penalty, the sum(s) indicated in the LIQUIDATED DAMAGES SCHEDULE below for each calendar day of delay until work is completed and accepted. This amount shall be deducted from any payments due to or to become

PUBLIC IMPROVEMENT AGREEMENT
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contract, arising out of, or in any way connected with the work covered by this Agreement, whether said injury or damage occurs on or off City property.

- (c) Any and all liabilities, claims, actions, causes of action, proceedings, suits, administrative proceedings, damages, fines, penalties, judgments, orders, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements, arising out of any violation, or claim of violation of the San Diego Municipal Storm Water Permit (Order No. 2001-01), and updates or renewals, of the California Regional Water Quality Control Board Region 9, San Diego, which the CITY might suffer, incur, or become subject by reason of or occurring as a result of or allegedly caused by the construction, reconstruction, maintenance, and/or repair of the work under this Agreement.

The CONTRACTOR, at CONTRACTOR's own expense, cost, and risk shall defend any and all actions, suit, or other proceedings that may be brought or instituted against the CITY, its governing board, officers, agents or employees, on any such claim, demand or liability, and shall pay or satisfy any judgment that may be rendered against the CITY, its governing board, officers, agents or employees in any action, suit or other proceedings as a result thereof.

8. (a) CONTRACTOR shall take out, prior to commencing the work, and maintain, during the life of this contract, and shall require all subcontractors, if any, of every tier, to take out and maintain:

(1) General Liability and Property Damage Insurance as defined in the General Conditions in the amount with a combined single limit of not less than **\$3,000,000 per occurrence.**

(2) Course of Construction / Builder's Risk Insurance See 5.2 of General Conditions.

(3) Insurance Covering Special Hazards: The following special hazards shall be covered by rider or riders to the above-mentioned public liability insurance or property damage insurance policy or policies of insurance, or by special policies of insurance in amounts as follows:

(A) Automotive and truck where operated in amounts as above

(B) Material hoist where used in amounts as above

(4) Workers' Compensation Insurance.

- (b) Each insurance policy required above must be acceptable to the City Attorney, as follows:

- (1) Each policy must name the CITY specifically as an additional insured under the policy on a separate endorsement page, with the exception of the workers' compensation and the Errors and Omissions policies.
- (2) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A-rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.

- (3) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.

(c) In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within 14 days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.

9. Public Contract Code Section 22300 permits the substitution of securities for any monies withheld by a public agency to ensure performance under a contract. At the request and expense of the CONTRACTOR, securities equivalent to the amount withheld in retention by the CITY, then the subcontractor shall receive the identical rate of interest received by the CONTRACTOR on any retention monies withheld shall be deposited with the public agency, or with a state or federally chartered bank in California as the escrow agent, who shall then pay such monies to the CONTRACTOR. The City retains the sole discretion to approve the bank selected by the CONTRACTOR to serve as escrow agent. Upon satisfactory completion of the contract, the securities shall be returned to the CONTRACTOR. Securities eligible for investment shall include those listed in Government Code Section 16430 or bank or savings and loan certificates of deposit. The CONTRACTOR shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon.

In the alternative, under Section 22300, the CONTRACTOR may request CITY to make payment of earned retentions directly to the escrow agent at the expense of the CONTRACTOR. Also at the CONTRACTOR's expense, the CONTRACTOR may direct investment of the payments in securities, and the CONTRACTOR shall receive interest earned on such investment upon the same conditions as provided for securities deposited by CONTRACTOR. Upon satisfactory completion of the contract, CONTRACTOR shall receive from the escrow agent all securities, interest and payments received by escrow agent from CITY pursuant to the terms of Section 22300. If CONTRACTOR elects to receive interest on moneys withheld in retention by CITY, CONTRACTOR shall, at the request of any subcontractor, make that option available to the subcontractor regarding any monies withheld in retention by the CONTRACTOR from the subcontractor. If the CONTRACTOR elects to receive any interest on any monies withheld in retention by the Owner, then the subcontractor shall receive the identical rate of interest received by the CONTRACTOR on any retention monies withheld from the subcontractor by the CONTRACTOR, less any actual pro rata costs associated with administering and calculating that interest. In the event the interest rate is a fluctuating rate, the rate for the subcontractor shall be determined by calculating the interest rate paid during the time that retentions were withheld from the subcontractor. If the CONTRACTOR elects to substitute securities in lieu of retention, then, by mutual consent of the CONTRACTOR and subcontractor, the subcontractor may substitute securities in exchange for the release of monies held in retention by CONTRACTOR. This shall apply only to those subcontractors performing more than five percent (5%) of the CONTRACTOR'S total bid. The CONTRACTOR shall not require any subcontractor to waive any provision of this section.

10. Each and every provision of law and clause required by law to be inserted in this Agreement or its attachments shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction, without further changes to the remainder of the Agreement.

11. The complete contract as set forth in Paragraph 1 of this Agreement constitutes the entire Agreement of the parties. No other agreements, oral or written, pertaining to the work to be performed, exists between the parties. This Agreement can be modified only by an amendment in writing, signed by both parties and pursuant to action of the Escondido City Council.
12. CONTRACTOR shall comply with those provisions of the Labor Code requiring payment of prevailing wages, keeping of certified payroll records, overtime pay, employment of apprentices, and workers' compensation coverage, as further set forth in the General Conditions, and shall file the required workers' compensation certificate before commencing work.
13. The terms "Project Documents" and/or "Contract Documents" where used, shall refer to those documents include in the definition set forth in the General Conditions made a part hereof.
14. CONTRACTOR shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONTRACTOR affirms that as an employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on this public project. CONTRACTOR agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of CITY by its officers thereunto authorized and by CONTRACTOR, the date and year first above written.

CITY OF ESCONDIDO
a municipal corporation
201 North Broadway
Escondido, CA 92025

By: _____
Diane Halverson, City Clerk

By: _____
Sam Abed, Mayor

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____

CONTRACTOR

By: _____
Signature

By: _____
Signature*

Print Name

Print Name

Title

Title

(Second signature required only for corporation)

By: _____
Signature**

Print Name

Title

(CORPORATE SEAL OF CONTRACTOR,
if corporation)

Contractor's License No.

Tax ID/Social Security No.

*If CONTRACTOR is a corporation, the first signature must be by one of the following officers of the corporation: Chairman of the Board, President, or any Vice President.

**If CONTRACTOR is a corporation, the second signature must be by a different person from the first signature and must be by one of the following officers of the corporation: Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer.