



## CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

### AGENDA ITEM

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Report: Award of Contract to Paveco Construction, Inc. for Glendale Water & Power's (GWP) City-Wide Utility Street Repairs Project.

1. Motion authorizing the City Manager, or his designee, to enter into and execute a three-year contract with Paveco Construction, Inc. of Baldwin Park, California for the GWP City-Wide Utility Street Repairs Project (Specification No. 4002), for a not-to-exceed amount of \$2,721,569, with an option for the City to extend the contract for an additional two years for a not-to-exceed amount of \$2,000,000.

### COUNCIL ACTION

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**Item Type:** Consent Calendar

**Approved for** March 4, 2025 **calendar**

### EXECUTIVE SUMMARY

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GWP does not possess the equipment, staff, expertise or resources to make permanent repairs to asphalt and concrete pavements in the roadway and to concrete sidewalks and other disturbed infrastructure needed as part of the installation of water and electric utility infrastructure, below and above ground level. GWP has always relied on the services of a third-party contractor to provide these services.

The current, active Citywide utility street repairs project, which was a five-year contract, expired in February 2025. GWP followed a competitive bid process and is proposing to award a new contract to maintain continuity of street repair services for the next three to five years to Paveco Construction, Inc. ("Paveco") for a not-to-exceed amount of \$2,721,569, with an option for the City to extend the contract for an additional two years for a not-to-exceed amount of \$2,000,000.

### RECOMMENDATION

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Authorize the City Manager to enter into and execute a three-year contract with Paveco for the GWP City-Wide Utility Street Repairs Project for a not-to-exceed amount of \$2,721,569, with an option for the City to extend the contract for an additional two years for a not-to-exceed amount of \$2,000,000.

## ANALYSIS

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The GWP City-Wide Utility Street Repairs Project (Project) involves the resurfacing of trenches and other excavation projects by GWP construction crews in the public right-of-way, easements and in City-owned property during the course of installing utility vaults, pull boxes, power poles, substructures, electrical conduits, water service lines, water meters and valves. Some of the utility excavations will be associated with relocation work due to conflicts to street and utility improvements by the Public Works Department's (PWD) Capital Improvement Projects. All excavations in the public right-of-way are required to be backfilled with native soil or imported cement slurry, and are to be resurfaced with asphalt or concrete pavements to comply with the standards of PWD. The backfilling portion is completed by GWP operations staff while the street pavement portion is completed by an external contractor as GWP does not possess the equipment or personnel resources for street repaving.

On December 10, 2024, the City Council approved Resolution No. 24-193 adopting Specification No. 4002 for the GWP City-Wide Utility Street Repairs Project and directing the City Clerk to advertise for bids.

On December 18, 2024, GWP advertised Specification No. 4002 for the Project. The Notice Inviting Bids (NIB) was published by the City Clerk in the Glendale Independent newspaper on December 19 and December 23, 2024. The project was also advertised on [BidnetDirect.com](https://www.bidnetdirect.com), a public contracts advertising company. BidnetDirect advertises to a wide range of contractors, firms, and other public agencies, and allows for coordination and communication between those entities and the advertising agency, Glendale Water & Power. The NIB was also posted to the City's website.

On January 8, 2025, three bids were received by the City. The bids were reviewed and evaluated based on the bidder with the lowest "Weighted Bid Price". The lowest weighted bid price is based on the Weighting Factors (a typical year's quantity of work) for each bid item multiplied by each bid item's unit price to determine the Weighted Bid Price. The submitted Weighted Bid Price for each of the bidders is as follows:

Rank	Bidder	Weighted Bid Amount
1	Paveco Construction, Inc.	\$907,189.50
2	Hardy & Harper, Inc.	\$3,835,685.00
3	Toro Enterprises, Inc.	<Blank>
	Engineer's Estimate:	\$900,000.00

The bid from Toro Enterprises, Inc. was found to be non-responsive because the "Weighted Bid Price" was left "blank" on the submitted bidding form. The bid submitted by Hardy & Harper, Inc. was approximately four times higher than the Engineer's estimate of \$900,000 for a typical year's quantity of work. Whereas, the bid submitted by Paveco was within one percent (1%) of the Engineer's Estimate, which was very good. Upon review of the bid documents, GWP staff found Paveco to be the lowest responsible bidder.

The Weighted Bid of Paveco, in the amount of \$907,189.50, has been checked for completeness and found to be in compliance with the bidding requirements set forth in Specification No. 4002.

The City has utilized the services of Paveco as the utility street repair contractor for more than thirty years and are thoroughly familiar with the City’s requirements. GWP staff is satisfied with the quality of work done by Paveco over the years. The current contract with Paveco expires on February 5, 2025. GWP staff respectfully recommends that the bid from Paveco be accepted, all other bid(s) be rejected, and that the contract for the Project be awarded to Paveco.

**STAKEHOLDERS/OUTREACH**

N/A

**FISCAL IMPACT**

The Weighted Bid Price is used to determine and select the bidder with the lowest bid and is not necessarily reflective of the actual monetary needs for each year, since the street repair work is performed on an “as needed” basis. The actual yearly monetary needs may be less than or greater than the \$907,189.50 bid by Paveco. However, the “average” yearly cost should come close to this amount.

The three-year contract is to be allocated for Fiscal Year 2024-25 to 2027-28 from February 2025 to February 2028 for a not-to-exceed amount of \$2,721,569.

Funding for Fiscal Year 2024-25 (from February 2025 through June 30, 2025) is incorporated as part of the various GWP Capital Improvement Program (CIP), GWP Customer-Paid projects, and various cost centers within Water and Electric Operations per the table below:

<b>Existing Appropriation</b>		
<b>Amount</b>	<b>Account String</b>	<b>Funding Source</b>
\$150,000	GL: 43110-5920-GWP-4710	Water Works Revenue Fund
\$150,000	GL: 43110-5950-GWP-0020-GWP01061AA	Water Customer Paid Capital Fund
\$ 10,000	GL: 43110-5950-GWP-0020-GWP01060AA	Water Customer Paid Capital Fund
\$200,000	GL: 43110-5820-GWP-4660	Electric Works Revenue Fund

Funds for future years will be requested as part of the annual budget process.

## **ENVIRONMENTAL REVIEW (CEQA/NEPA)**

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The project is exempt from the California Environmental Quality Act (CEQA) review as a Class 1 Existing Facilities project for the operation, repair, maintenance or minor alteration of existing highways and streets, sidewalks and similar facilities pursuant to the California Code of Regulations, Title 14, Section 15301.

## **CAMPAIGN DISCLOSURE**

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Not applicable.

## **ALTERNATIVES TO STAFF RECOMMENDATION**

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Alternative 1: Choose not to award the contract as recommended herein. This will result in the inability for GWP to do necessary street repairs associated with water and electric utility installations in the roadways and sidewalks of Glendale.

Alternative 2: Consider any other alternative not proposed by staff.

## **ADMINISTRATIVE ACTION**

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### **Submitted by:**

Manuel Robledo, Interim General Manager - Glendale Water and Power

### **Prepared by:**

Chisom Obegolu, P.E., Assistant General Manager - Water

### **Approved by:**

Roubik R. Golanian, P.E., City Manager

## **EXHIBITS/ATTACHMENTS**

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Not applicable.