



# Agenda Item

## City Council

---

**Item #:** 3.13.

11/14/2023

**File #:** 23-0691

---

**TO:** Honorable Mayor and Members of the City Council

**THRU:** Tom Kisela, City Manager

**FROM:** Christopher Cash, Public Works Director

### 1. SUBJECT

Award of Sourcewell Contract to Horizons Construction Company International, Inc. for the gas line replacement at the El Modena Library; and finding of CEQA exemption.

### 2. SUMMARY

Award Horizons Construction Company International, Inc., a construction contract for the gas line replacement at the El Modena Library (SP-4273).

### 3. RECOMMENDED ACTION

Approve a Sourcewell contract with Horizons Construction Company International, Inc. in the amount of \$49,134 for the gas line replacement at El Modena Library; and authorize the Mayor and City Clerk to execute on behalf of the City.

### 4. FISCAL IMPACT

The total expenditure including a 15% contingency for this project is \$49,134 and will be funded through Capital Projects Fund 500.5028.56020.19809, City Facility Improvements.

### 5. STRATEGIC PLAN GOALS

Goal 1: Provide for a safe community

b: Provide and maintain infrastructure necessary to ensure the safety of the public.

Goal 4: Provide outstanding public service

b: Provide facilities and services to meet customer expectations.

### 6. DISCUSSION AND BACKGROUND

The El Modena Library has served the community as a branch library since 1978. Over the years, the library's gas line has experienced wear and tear, resulting in inefficiencies and safety concerns, ultimately leading to Southern California Gas Company shutting it down earlier this year. This deterioration also negatively impacts the HVAC system's performance, causing inconsistent heating in the library.

To hire a skilled contractor to replace the failed gas line at a reasonable cost, staff reached out to many vendors and utilized several procurement strategies. Staff collaborated with Gordian EzlQC's project coordinator to develop the scope of work for the gas line using a Sourcewell contractor. This method of procurement is a cooperative purchasing arrangement that several government agencies

use to minimize costs and staff resource impacts. By using Sourcewell, a public agency that competitively bids on construction tasks, specifications, materials, equipment, and labor costs, the City can access highly qualified specialty contractors and lower overall capital costs. The City of Orange is a member of Sourcewell and has used the cooperative agreements procurement process.

After careful consideration, Horizons Construction Co. Int'l, Inc. (Contract No. CA-R8-GB01-123021-HCC) has been recommended by staff for the project. The proposed price has been reviewed and deemed fair and reasonable, consistent with established unit prices outlined in the contract with Sourcewell. The contractor's proposal for the scheduled work comes in at \$42,725. However, staff recognizes that unforeseen work and services may be necessary for the project. Therefore, in anticipation of such contingencies, an additional \$6,409 (15%) has been added to the initial sum, bringing the total cost to \$49,134.

Construction is scheduled to begin in November 2023 and is expected to be completed within one month, including the procurement of materials. The specifications and cost proposals are available for review at the Public Works Department.

## **7. ENVIRONMENTAL REVIEW**

**Categorical Exemption:** The proposed project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per State CEQA Guidelines 15302 (Class 2 (c) - Replacement or Reconstruction) because the project involves replacing 230 linear feet of a 2-inch gas line segment at the El Modena Library parking lot to comply with current industry standards. No public review is required.

## **8. ATTACHMENTS**

- Contract with Horizons Construction Company International, Inc