



City Council Agenda Report

Meeting Date: March 16, 2020

TO: HONORABLE MAYOR & COUNCILMEMBERS

FROM: JIM SADRO, CITY MANAGER
By: ANDREW HO, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

SUBJECT: APPROVE AN AGREEMENT WITH PRISCILA DAVILA & ASSOCIATES, INC. FOR LABOR COMPLIANCE FOR FISCAL YEAR 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDED INFRASTRUCTURE PROJECTS

SUMMARY RECOMMENDATION:

It is recommended that the City Council approve and authorize the City Manager to enter into an agreement with Priscila Davila & Associate, Inc to provide labor compliance monitoring for Fiscal Year 2019-2020 Community Development Block Grant funded infrastructure projects.

DISCUSSION:

The US Department of Housing and Urban Development (HUD) requires that all public works/infrastructure projects utilizing Community Development Block Grant (CDBG) funds pay construction workers the Federal Davis Bacon Wage. HUD also have requirements for Section 3 hiring practices dealing with providing training, employment, contracting and economic opportunities to low-and very low-income persons, especially recipients of government assistance for housing, and to business that provide economic opportunities to low-and very low-income persons. In California public works/infrastructure projects are also required to pay construction workers California Prevailing Wage. Therefore, in California contractors have to pay construction workers for public works/infrastructure projects the higher wage for either Davis Bacon on California Prevailing Wage when a project utilizes CDBG.

In order to ensure all labor compliance requirements under Davis Bacon and Section 3 are being met, the City wants to utilize a consultant to perform pre-bid document inspections to ensure all federal required documents are included in bid specifications, review of bids to ensure contractors and subcontractors are eligible to be awarded Federally funded projects, review of weekly certified payrolls, conduct construction sites

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visits and interviews to ensure proper wages are paid and other duties related to compliance with Davis Bacon and Section 3. The consultant will inform the contractor and City of any deficiencies in meeting this compliance regulations so that corrections can be made accordingly.

There are four projects approved during FY 2019-2020 that will utilize CDBG funds

1. **Brio Park Splash Pads and Amenities** - (currently under construction, total construction cost \$1,100,000, total CDBG funds is \$435,000)
2. **Alley Pavement** – (currently in design and has not been bid, total construction cost \$600,000 total CDBG funds \$114,000)
3. **Los Loams and Loma Verde parking Lot Re-pavement** (currently in design and has not been bid, total construction cost is \$97,000, 100% CDBG funded)
4. **Portola and Los Lomas Park Canopy** – (project has been awarded and construction expected to start late March 2020, total construction \$82,600, 100% CDBG funded)

FISCAL IMPACT / SOURCE OF FUNDING:

The City reached out to three consultants:

- | | |
|-----------------------------------|-------------------------------|
| 1. Priscila Davila & Associates - | \$38,500 |
| 2. MDG Associates Inc. - | \$78,500 |
| 3. Amerinat – | Did not provide cost proposal |

Priscila Davila & Associates was the lowest most responsive bid at \$38,500. MDG came in almost double at \$78,500 and Amerinat did not provide a cost proposal provided a list of necessary changes they would want to the City's insurance and standard agreement in order to enter into a contract for wage compliance. Staff is recommending entering into an Agreement with Priscila Davila & Associates. Available CDBG funds will cover fees for labor compliance. Staff is also recommending rounding the contract up to \$40,000 to cover any additional hours or resources needed in case construction schedules run longer than currently anticipated.

GENERAL PLAN RELEVANCE:

LU 2.3 Places to Work
LU 2.4 Balancing Jobs and Housing
LU 2.5 Places Supporting the Quality of Life
H 3.9 Job Training

RECOMMENDATION / REQUESTED ACTION:

It is recommended the City Council approve and authorize the City Manager to enter into an agreement with Priscila Davila & Associates, Inc., for labor compliance for Fiscal Year 2019-2020 Community Development Block Grant funded infrastructure projects.

ATTACHMENTS:

1. Agreement for Services