



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
STAFF REPORT**

**Item No.  
11**

Meeting Date: **JULY 12, 2012**

**Subject:**

**Award a Contract to Hazard Construction Company, to Relocate Lot 6 Employee Parking from Harbor Island to the former Teledyne Ryan site, at San Diego International Airport**

**Recommendation:**

Adopt Resolution No. 2012-0078, awarding a contract to Hazard Construction Company, in the amount of \$3,334,537, for Project No. 104145, Relocate Lot 6 Employee Parking from Harbor Island to the former Teledyne Ryan site, at San Diego International Airport.

**Background/Justification:**

In June 2011, the San Diego County Regional Airport Authority Board ("Board") approved the 2012-2016 Fiscal Year Capital Improvement Program ("CIP"). Included within the CIP is a project to relocate Parking Lot 6 from a property owned by the San Diego Unified Port District ("Port"), located on Harbor Island, to the former Teledyne Ryan Industries ("TDY") site. This relocation will utilize available lease area on the former TDY site, and allow the San Diego County Regional Airport Authority ("Authority") to terminate the lease agreement with the Port for the existing Employee Parking Lot 6.

This contract was solicited for bids on May 16, 2012. Sealed bids were opened on June 18, 2012. The following bids were received: (See Attachment "A")

<b>Company</b>	<b>Total Bid</b>
Granite Construction Company	\$3,312,174
Hazard Construction Company	\$3,334,537
Daley Corporation	\$3,406,549
Flatiron West, Inc.	\$3,448,309
LB Civil Construction, Inc.	\$3,609,274.50
Built Pacific, Inc.	\$3,839,582.84
Southland Paving, Inc.	\$5,530,070.10

Engineer's Estimate is \$4,244,704 (See Attachment "A").

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The requirements of Authority Policy 5.14 ("Policy 5.14"), small business, local business and service disabled veteran owned small business goal and preference program, were applied to this bid solicitation. Under Policy 5.14, for purposes of determining the lowest responsible bidder, bid amounts are reduced by a maximum of \$100,000 for bidders that meet or exceed the goals established in the bid solicitation.

Granite Construction Company ("Granite") submitted a bid in the amount of \$3,312,174. Granite met 27% of the 43% Small Business goal that was established for this contract. Under the formula established in Policy 5.14, for purposes of determining the lowest responsible bidder, Granite's bid amount was reduced by \$33,121.74 for a total amount of \$3,279,052.26. However, Hazard Construction Company ("Hazard"), the second lowest bidder with a bid of \$3,334,537, met the 3% goal for Service Disabled Veteran Owned Small Business and 33% of the 43% Small Business goal. Therefore, under Policy 5.14, the bid of Hazard's bid amount was reduced by \$99,365.22 to be \$3,235,171.78 and was the lowest bidder per the bid specifications.

The second low bid, submitted by Hazard Construction Company, in the amount of \$3,334,537, is considered responsive, and this bidder is considered responsible. Award to Hazard Construction Company, is therefore recommended in the amount of \$3,334,537.

### **Fiscal Impact:**

Adequate funds for the contract with Hazard Construction Company are included within the FY2013-FY2017 Capital Budget for Project No. 104145, Relocate Lot 6 Employee Parking. Sources of funding for this project include Airport Revenue Bonds.

### **Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

### **Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended, 14 Cal. Code Regs. Section 15378. An Initial Study was prepared by the SDCRAA and a Notice of Exemption was filed with the County of San Diego Clerk in October 2011. The proposed reconfiguration of the SAN Park Harbor Drive parking facility is a class of project that is a categorical exemption according to Pub. Res. Section 15301 – Existing Facilities and 15302 – Replacement or Reconstruction: Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site and will have substantially the same purpose and capacity as the structure replaced.

- B. A coastal development permit (#6-12-014) was issued by the California Coastal Commission on June 14, 2012.

**Equal Opportunity Program:**

The San Diego County Regional Airport Authority's ("Authority's") small business program promotes the utilization of small, local, disadvantaged, and other business enterprises, on all contracts, to provide equal opportunity for qualified firms. By providing education programs, making resources available, and communicating through effective outreach, the Authority strives for diversity in all contracting opportunities.

The Authority has a Disadvantaged Business Enterprise ("DBE") Plan as required by the Department of Transportation, 49 CFR Part 26. The DBE Plan calls for the Authority to submit an annual overall goal for DBE participation on all federally funded projects.

This project does not utilize federal funds; therefore, it will not be applied toward the Authority's over-all DBE goal.

**Prepared by:**

IRAJ GHAEMI  
DIRECTOR, FACILITIES DEVELOPMENT



RESOLUTION NO. 2012-0078

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AWARDING A CONTRACT TO HAZARD CONSTRUCTION COMPANY, IN THE AMOUNT OF \$3,334,537, FOR PROJECT NO. 104145, RELOCATE LOT 6 EMPLOYEE PARKING FROM HARBOR ISLAND TO THE FORMER TELEDYNE RYAN SITE, AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, in June 2011, the San Diego County Regional Airport Authority Board ("Board") approved the 2012-2016 Fiscal Year Capital Improvement Program ("CIP"); and

WHEREAS, included within the CIP is a project to relocate Parking Lot 6 from a property owned by the San Diego Unified Port District ("Port"), located on Harbor Island, to the former Teledyne Ryan Industries ("TDY") site; and

WHEREAS, this relocation will utilize available lease area on the former TDY site and allow the San Diego County Regional Airport Authority ("Authority") to terminate its lease agreement with the Port for the existing Employee Parking Lot 6; and

WHEREAS, the Authority issued a Bid Solicitation Package for this project on May 16, 2012; and

WHEREAS, on June 18, 2012, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the requirements of Authority Policy 5.14 ("Policy 5.14"), Small Business, local business and service disabled veteran owned small business goal and preference program, were applied to this bid solicitation; and

WHEREAS, the apparent low bidder, Granite Construction Company ("Granite"), submitted a bid in the amount of \$3,312,174 and met 27% of the 43% Small Business goal that was established for this Contract; and

WHEREAS, under Authority Policy 5.14, Granite's bid amount was adjusted to be \$3,279,052.26; and

WHEREAS, Hazard Construction Company, the second lowest bidder, met the 3% goal for Service Disabled Veteran Owned Small Business and 33% of the 43% Small Business goal; and

WHEREAS, after application of the Authority's Policy 5.14, staff determined that Hazard Construction Company's bid of \$3,334,537, reduced by \$99,365.22 to be \$3,235,171.78, was the lowest bidder per the bid specifications; and

WHEREAS, Hazard Construction Company, submitted a bid of \$3,334,537 and the Authority's staff has duly considered the bid and has determined Hazard Construction Company is responsible, and that its bid is responsive in all material respects; and

WHEREAS, the Board believes that it is in the best interest of the Authority and the public that it serves for the Board to award Hazard Construction Company, the contract for Project No. 104145, Relocate Lot 6 Employee Parking, upon the terms and conditions set forth in the Bid Solicitation Package.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a contract to Hazard Construction Company, in the amount of \$3,334,537 for Project No. 104145, Relocate Lot 6 Employee Parking, from Harbor Island to former Teledyne Ryan site, at San Diego International Airport, upon the terms and conditions set forth in the Bid Solicitation Package; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee hereby is authorized to execute and deliver such contract to Hazard Construction Company; and

BE IT FURTHER RESOLVED that the Authority and its officers, employees, and agents are hereby authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolutions; and

BE IT FURTHER RESOLVED that the Board finds that this Board action is not a "project" that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended, 14 Cal. Code Regs. Section 15378. An Initial Study was prepared by the Authority and a Notice of Exemption was filed with the County of San Diego Clerk in October 2011. The proposed reconfiguration of the SAN Park Harbor Drive parking facility is a class of project that is a categorical exemption according to Pub. Res. Section 15301 – Existing Facilities and 15302 – Replacement or Reconstruction: Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site and will have substantially the same purpose and capacity as the structure replaced; and a coastal development permit (#6-12-014) was issued by the California Coastal Commission on June 14, 2012.

**PASSED, APPROVED, AND ADOPTED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 12<sup>th</sup> day of July, 2012 by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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**TONY R. RUSSELL**  
**DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK**

**APPROVED AS TO FORM:**

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**BRETON K. LOBNER**  
**GENERAL COUNSEL**

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