



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Ralph G. Tonseth

SUBJECT: SEE BELOW

DATE: 01-13-04

Approved

Date

Council District: Citywide

SUBJECT: NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT NORTH CONCOURSE BUILDING, GATE A1-C RELOCATION (Package 0B)

REASON FOR SUPPLEMENTAL MEMO

To provide additional information after bids were opened.

RECOMMENDATION

Report on bids and award of contract for the Norman Y. Mineta San José International Airport North Concourse Building, Gate A1-C Relocation (Package 0B) Project to the low bidder, Apex Construction, in the amount of \$729,289, and approval of a contingency in the amount of \$110,000.

CEQA: Resolutions No. 67380 and 71451, PP 03-12-393.

ANALYSIS

Bids were received on December 18, 2003 with the following results:

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Hinds/Lowery-JV (Santa Clara)	\$1,063,000	\$413,000	64
Apex Construction (San Jose)	\$729,289	\$79,289	12
Engineer's Estimate	\$650,000	---	---

The low bid submitted by Apex Construction is 12 percent above the Engineer's Estimate. Staff considers the bid reasonable for the work to be performed.

Council Policy provides for a standard contingency of 15 percent on public works projects involving the renovation of a building. The standard contingency is appropriate for this project.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$729,289

2. COST OF PROJECT:

Project Delivery	\$240,000
Construction	729,289
Contingency	<u>110,000</u>
TOTAL	\$1,079,289

3. SOURCE OF FUNDING: 526 - Airport Revenue Bond Improvement Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The project has been reviewed and was determined that it will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
526 (548)	4655	Gate A1-C Relocation	12701X	\$1,942,000	\$729,289	Page 62	10/14/03 Ord. No. 26997

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CEQA

Resolutions No. 67380 and 71451, PP 03-12-393

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Director of Aviation

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