



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Sara L. Hensley
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 03-03-04

Approved

Date

Council District: 7

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE COUNCIL DISTRICT 7 CONSTRUCTION AND CONVEYANCE TAX FUND FOR THE LONE BLUFF MINI PARK PROJECT.

RECOMMENDATION

1. Report on bids and award of contract for Lone Bluff Mini-Park Project to the low bidder, Lone Star Landscape, Inc., in the amount of \$498,100, and approval of a contingency in the amount of \$24,900.
2. Adoption of the following Appropriation Ordinance Amendments in the Council District 7 Construction & Conveyance Tax Fund
 - a. Increase the Lone Bluff Mini-Park Project by \$150,000
 - b. Decrease the Ending Fund Balance by \$150,000

CEQA: Addendum to an EIR, H03-029.

BACKGROUND

The Lone Bluff Mini-Park Project is a proposed park development of 0.65 acres of undeveloped land located in the southeast portion of the Los Lagos Golf Course. The site is bounded by Lone Bluff Avenue to the south and west, Capitol Expressway to the east, and Coyote Creek to the north. South of the park is a residential neighborhood (map attached).

The scope of work for this project includes a play area, a half-court basketball court, a horseshoe pit, security lighting, fencing, pathways, site furnishing, landscaping and irrigation.

Construction is scheduled to begin in May with completion in December 2004.

This project is funded by Proposition 12 grant funds and District 7 Construction and Conveyance Tax (C&C) funds. The appropriation action being requested will advance the portion of C&C funds that are intended to be dedicated for this project in 2004-2005 into the current fiscal year.

ANALYSIS

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

| <u>Contractor</u> | <u>Bid Amount</u> | <u>Variance Amount</u> | <u>Over/ (Under) Percent</u> |
|---|-------------------|------------------------|------------------------------|
| Robert A. Bothman, Inc. (San José) | \$599,800 | \$122,300 | 26 |
| SCQ Construction (Cupertino) | 573,000 | 95,500 | 20 |
| Lone Star Landscape, Inc. (San Martin) | 498,100 | 20,600 | 4 |
| Engineer's Estimate | 477,500 | --- | --- |

The low bid submitted by Lone Star Landscape, Inc. is four percent above the Engineer's Estimate. The bid is considered acceptable for the work involved in the project.

Council policy provides for a standard contingency of five percent on public works park projects. Standard contingency is appropriate for this project.

With the requested appropriation adjustment, funds budgeted for this project are sufficient to provide for the recommended contingency. It should be noted that the additional \$150,000 represents an advance of funds that have been scheduled for Fiscal Year 2004-2005. The Department of Parks, Recreation and Neighborhood Services will remove the 2004-2005 funding in the Proposed 2004-2005 Capital Budget.

PUBLIC OUTREACH

Community meetings were held on September 12, 2002 and December 12, 2002 during which the park planning proposals received strong community approval. On August 20, 2003, the Parks and Recreation Commission approved the park plan.

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects were provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the Departments of General Services, Planning, Building and Code Enforcement, the City Attorney’s Office and the District 7 Council Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$498,100

2. COST OF PROJECT:

| | | |
|------------------|---------------|---|
| Project Delivery | \$196,000 | * |
| Construction | 498,100 | |
| Contingency | <u>24,900</u> | |
| TOTAL | \$719,000 | |

* A total of \$105,702 was expended or encumbered in 2001-2002 through 2002-2003 for project delivery costs.

3. SOURCE OF FUNDING: Fund 385-C&C Tax Fund, CD 7

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 proposed operating and maintenance costs of this project have been reviewed and estimated to be approximately \$13,000 annually beginning in 2005-2006. These operations costs are expected to be incorporated within the existing park maintenance program.

BUDGET REFERENCE

| Fund # | Appn # | Appn. Name | RC # | Total Appn.* | Amt. for Contract | Adopted Budget Page | Last Budget Action (Date, Ord. No.) |
|--------|--------|----------------------------------|--------|------------------|-------------------|---------------------|-------------------------------------|
| 385 | 4104 | Lone Bluff Mini Park Development | 117833 | \$464,000 | \$498,100 | Page 511 | 10/14/2003, Ord. No. 26997 |
| | | Total | | \$464,000 | \$498,100 | | |

*An appropriation action for \$150,000 is recommended as part of this memorandum to provide additional funding necessary for the award of this contract.

HONORABLE MAYOR AND CITY COUNCIL

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CEQA

Addendum to the EIR H03-029

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Neighborhood Services

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Budget Director

GR:wt:jp

Lone Bluff Mini Park

Attachment