



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
James R. Helmer

SUBJECT: SEE BELOW

DATE: 04-07-04

Approved

Date

Council District: 5

SUBJECT: WHITE ROAD WIDENING PROJECT - MABURY ROAD TO MCKEE ROAD

RECOMMENDATION

Report on bids and award of contract for the White Road Widening Project – Mabury Road to McKee Road to the low bidder, Redgwick Construction Company, Inc., in the amount of \$406,635, and approval of a contingency in the amount of \$21,000.
CEQA: Negative Declaration, PP 03-11-335.

BACKGROUND

White Road is a north-south two-lane arterial street that maintains significant pedestrian, bicycle and vehicular traffic volumes. The segment of White Road between McKee Road to Mabury Road has several areas that require full street frontage improvements. These areas do not meet minimum roadway standards. Some areas of this roadway segment lying within County jurisdiction will not be improved by this project because the County does not have funding to participate. Pedestrian, bicycle, traffic circulation and public safety for the surrounding neighborhood are the leading factors for completing the widening and improvements for White Road.

The project will construct the necessary street improvements fronting 16 land parcels. The improvements within the public right-of-way include curb, gutter, sidewalk, driveway aprons, landscaping, roadway striping and street lights. The private property improvements include modifications to driveways, walkways, sprinkler systems, removing and replacing of fences and landscaping and re-grading private property frontages to provide necessary conforms with the street frontage improvements. Upon completion, the road will accommodate two lanes of traffic in both directions, a two-way left-turn lane, two bicycle lanes, sidewalk and parking on both sides of the street.

The project requires the acquisition of real estate across the frontage of all 16 parcels. Staff successfully completed negotiations with 15 property owners. Council approved purchase agreements for 13 properties on March 9, 2004, and for two properties on March 16, 2004.

Negotiations were at an impasse with one property owner, and staff set a use and necessity hearing for April 6, 2004, to acquire the property through condemnation. On April 6, 2004, Council approved the actions necessary to proceed with acquiring the property through condemnation. The following day the City and the property owner reached a tentative agreement for the City to acquire the property. The parties are working on completing acquisition of the property by April 27, 2004.

If the City does not acquire the property prior to awarding this construction contract, the improvements to the frontage of the property in question would not be initiated until the City has possession of it, either through an agreed purchase or an order of prejudgement possession as part of a condemnation action. If need be, the City ultimately could delete this portion of the work from the project. In either case, awarding of the construction contract without having possession of all the property would increase the City's risk of the contractor making delay or other claims based upon the delay in commencing or removal of this portion of work.

Construction is scheduled to begin in June with completion in September 2004.

ANALYSIS

Bids were opened on March 25, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$634,390.00		
Granite Rock Co. DBA Pavex Const. (Redwood City, CA)	577,630.00	\$56,760.00	(9)
Fanfa, Inc. (San Lorenzo, CA)	545,000.00	89,390.00	(14)
O. C. Jones & Sons, Inc. (Berkeley, CA)	543,990.00	90,400.00	(14)
Sposeto Engineering, Inc. (Union City, CA)	540,387.00	94,003.00	(15)
O'Grady Paving, Inc. (Mountain View, CA)	535,752.50	98,637.50	(16)
Grade Tech, Inc. (San Ramon, CA)	518,800.00	115,590.00	(18)
JJR Construction, Inc. (San Mateo, CA)	516,372.50	118,017.50	(19)

Golden Bay Construction, Inc. (San Carlos, CA)	453,707.50	180,682.50	(28)
Wattis Construction Company, Inc. (San José, CA)	429,820.00	204,570.00	(32)
Redgwick Construction Company (Hayward, CA)	406,635.00	227,755.00	(36)

The low bid submitted by Redgwick Construction Company is 36 percent under the Engineer's Estimate. Staff considers this bid a very reasonable price for the work involved. The variance can be attributed to the competitive bidding climate at this time of the year and in the context of the general state of the local economy.

Council Policy provides for a standard contingency of five percent on public works street projects. The standard contingency is appropriate for this project.

PUBLIC OUTREACH

In December 2003, during the environmental review process, staff from the Department of Planning, Building and Code Enforcement circulated notices to the community to provide the scope of project and an opportunity for public to comment on the improvements.

Additionally, to solicit contractors, this project will be 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 are provided to various contractor organizations and builder's exchanges.

COORDINATION

The project and memorandum have been coordinated with the Departments of Finance and Planning, Building and Code Enforcement, the City Attorney's Office and City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$406,635

2. COST OF PROJECT:

Project Delivery	\$ 375,000*
Construction	406,635
Land Acquisition	600,000
Contingency	21,000
TOTAL	\$1,402,635

3. SOURCE OF FUNDING: 429 Building and Structures Tax Fund

4. FISCAL IMPACT: This road widening project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. Upon completion, this road widening project will have a neutral impact on the General Fund.*

* The line item “White Rd: Penitencia to McKee” contains funding for two phases of the project. Phase I entailed median island improvements and has been completed. Phase II entails the widening of White Road between Mabury and McKee for which a construction contract is recommended in this memorandum. Prior year costs of \$106,213 were expended for development and design of Phase II of the project. The O&M costs displayed in the 2003-2004 Adopted Capital Budget refer to Phase I of the project.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2003-04 Adopted Budget Page	Last Budget Action (Date, Ord.No.)
429	4022	White Road: Penitencia to McKee	121403	\$1,667,000	\$406,635	825	2/17/2004, Ord. No. 27074

CEQA

Negative Declaration, PP 03-11-335.

KATY ALLEN
Director, Public Works Department

JAMES R. HELMER
Director of Transportation