



COUNCIL AGENDA: 08-09-05

ITEM: 2.6

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

SUBJECT: FIRE STATION NO. 25
ROUGH GRADING PROJECT

DATE: 07-20-05

Approved

Katy Allen

Date

7/27/05

Council District: 4

RECOMMENDATION

Report on bids and award of contract for the Fire Station No. 25 Rough Grading Project to the low bidder, O.C. Jones & Sons, Inc., in the amount of \$412,470, and approval of a contingency in the amount of \$41,247.

CEQA: Resolution No. 69636, and Addenda to File No. PP04-331.

BACKGROUND

In March 2002, San José voters passed the Neighborhood Security Bond Act that approved the issuance of \$159 million in General Obligation bonds to fund the construction of various public safety facilities. One of the items funded under the Bond Act is the construction of four new fire stations to replace four existing stations. Fire Station No. 25 will be located near the intersection of Wilson Way and Grand Avenue in the Alviso area of San José (map attached). The new station will replace the current Fire Station No. 25 located approximately one mile away at 1590 Gold Street.

Prior to the start of construction, the new building site needs to be raised above the 100-year flood plane in accordance with Federal Emergency Management Agency requirements. The construction of the elevated building pad is scheduled to be completed in November 2005. Upon completion of the rough grading for the elevated building pad area, a settlement period of approximately six months will be required for the site to be ready for construction. Department of Public Works staff will then return to Council for the award of a second construction contract for the new Fire Station No. 25. Construction of the building and finish site work is scheduled to begin in July 2006 with completion in August 2007.

ANALYSIS

Bids were opened on June 9, 2005 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
Engineer's Estimate	\$751,510	--	--
Joseph J. Albanese, Inc. (Santa Clara)	719,663	(31,847)	4)
Blossom Valley Construction, Inc. (San José)	683,580	(67,930)	(9)
Stevens Creek Quarry, Inc. (Cupertino)	675,750	(75,760)	(10)
H S R Engineering Contractors, Inc. (Santa Clara)	584,948	(166,562)	(22)
Proven Management, Inc. (San Francisco)	574,042	(177,468)	(24)
Duran & Venables, Inc. (Milpitas)	565,500	(186,010)	(25)
Ferma Corporation (Mountain View)	540,000	(211,510)	(28)
McGuire and Hester (Oakland)	483,600	(267,910)	(35)
Top Grade Construction, Inc. (Livermore)	478,478	(273,032)	(36)
O.C. Jones & Sons, Inc. (Berkeley)	412,470	(339,040)	(45)

The low bid submitted by O.C. Jones is 45 percent below the Engineer's Estimate. The lower than estimated bid can be attributed to a highly competitive bid participation and the variability in availability and hauling distances for the appropriate soil fill materials. Staff, therefore, considers the bid reasonable for the work involved.

Council policy provides for a standard contingency of five percent on Public Works grading and landscaping projects. Given the relatively small value of this contract and the inclusion of underground utility work, staff recommends the approval of a ten percent contingency. The funds budgeted for this project are sufficient to provide for the recommended contingency.

OUTCOME

Approval of this construction contract to O.C. Jones, Inc. will allow the first phase of construction for the Fire Station No. 25 – Relocate Project to proceed. Once this phase of construction is completed, the building and finish site work portion of the project can commence

as scheduled. Approval of the ten percent contingency will provide funding for unforeseen conditions during construction of this project.

PUBLIC OUTREACH

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 are provided to various contractor organizations and builder's exchanges.

A public meeting was conducted on January 29, 2005 at the Alviso Community Center. The proposed location of the new Fire Station No. 25 as well as the nature of the phase construction was shared with the local residents at that time. Staff will conduct a second public meeting in the near future to request input on the architectural character of the new fire station building.

COORDINATION

This project and memorandum have been coordinated with the Departments of Fire, General Services, Planning, Building and Code Enforcement and the City Manager's Budget Office and City Attorney's Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$412,470

2. COST OF PROJECT: *

Project Delivery	
Phase 1 (Rough grading)	\$175,000
Phase 2 (Building & finish site work)	735,000
Construction	
Phase 1	412,470
Phase 2	2,586,000
Contingency	
Phase 1	41,247
Phase 2	<u>287,283</u>
TOTAL PROJECT COSTS	\$4,237,000
Prior Year Expenditures	322,987
REMAINING PROJECT COSTS	\$3,914,013

*Phase 2 costs are for the subsequent building and finish site work package scheduled for completion in August 2007.

3. SOURCE OF FUNDING: 475-Neighborhood Security Bond
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. This project is anticipated to have no impact on the General Fund upon completion as the staff at the existing Fire Station No. 25 will relocate to the new site.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2005-2006 Proposed Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$3,914,013			
Current Funding Available							
475	4806	Fire Station 25 – Relocation	12289x	\$3,110,000	\$412,470	V-321	MBA #60 6/21/05*
Total Current Funding Available				\$3,110,000**	\$412,470		

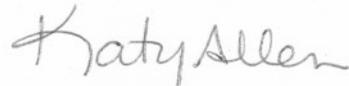
* The 2005-2006 Adopted Capital Budget for this project includes a \$2,773,000 rebudget that was approved by City Council on June 21, 2005.

** An additional \$804,000 will be available to fund the balance of this project. This amount will be provided by \$131,000 programmed in fiscal year 2006-2007 in the Adopted 2006-2010 Capital Improvement Program and anticipated carryover from fiscal year 2004-2005 of approximately \$673,000 that will be recommended for rebudget with the 2004-2005 Annual Report. When combined with the 2005-2006 allocation of \$3.11 million, these funds bring total project funding to \$3.914 million, which is sufficient to cover total estimated project costs.

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CEQA

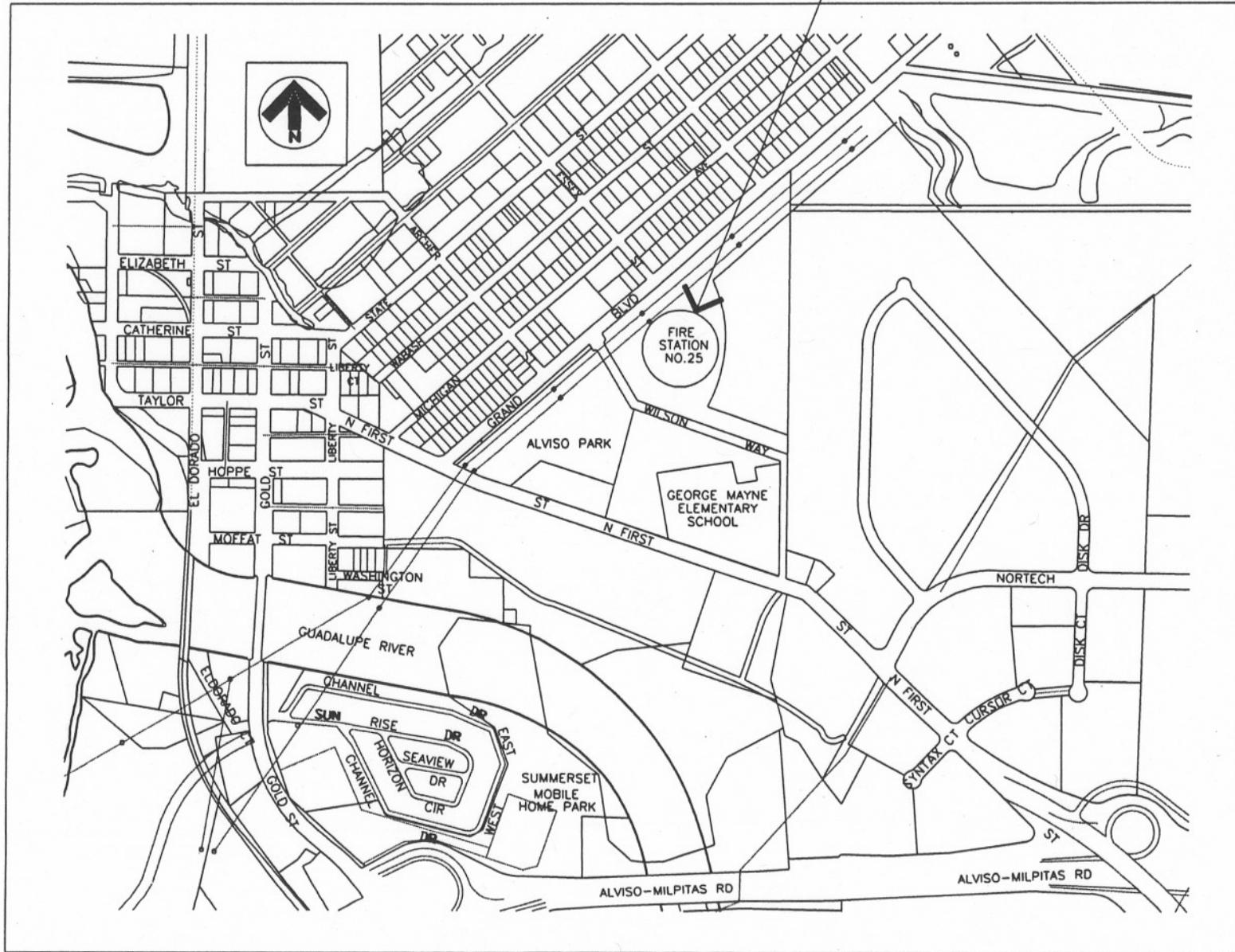
Resolution No. 69636, and Addenda to File No. PP04-331.

A handwritten signature in cursive script that reads "Katy Allen".

KATY ALLEN
Director, Public Works Department

KJ:ba:rb
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PROJECT SITE



ALVISO PARK
LOCATION MAP

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