



COUNCIL AGENDA: 11-09-04

ITEM: 6.2

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
James R. Helmer

**SUBJECT: STORY ROAD WIDENING
PROJECT**

DATE: 10-20-04

Approved

Date

10/22/04

Council District: 7

SNI: Tully/Senter

RECOMMENDATION

Report on bids and award of contract for the Story Road Widening (Senter Road to McLaughlin Avenue) Project to the low bidder, Top Grade Construction, Inc., in the amount of \$1,578,798.70, and approval of a contingency in the amount of \$79,000.
CEQA: Exempt, PP04-03-084.

BACKGROUND

Story Road is an east-west arterial street (map attached) that maintains significant pedestrian, bicycle and vehicular traffic volumes. The segment of Story Road between Senter Road and McLaughlin Avenue varies from two to four-lanes and in some areas does not have curb, gutter and sidewalk. Traffic and pedestrian circulation are the leading factors for the widening and improvement of Story Road.

The project will construct curb, gutter, sidewalk, pavement, median islands, landscaping, streetlights, storm drainage facilities, a new traffic signal at the intersection of Story Road and Remillard Court, and modify two traffic signals at the intersections of Story Road and Lucretia Avenue and Story Road and Roberts Avenue. Upon completion, this segment of Story Road will accommodate three lanes of traffic, a bicycle lane in each direction and sidewalk on both sides of the street.

In order to construct the improvements, City needs to acquire additional right-of-way from the property located at the southwest corner of Story Road and Lucretia Avenue. On June 15, 2004, Council approved the actions necessary to proceed with acquiring the property through condemnation. The City Attorney subsequently filed an eminent domain suit and obtained a Court Order of Pre-judgment Possession, which requires transfer of the property to the City on November 2, 2004.

Construction is scheduled to begin in January 2005 with completion in July 2005.

ANALYSIS

Bids were opened on August 12, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Redgwick Construction Company (Hayward)	\$1,836,248.25	\$435,233.75	31
Golden Bay Construction, Inc. (San Carlos)	1,831,290.80	430,276.30	31
Galeb Paving, Inc. (Saratoga)	1,783,437.10	382,422.60	27
O'Grady Paving, Inc. (Mountain View)	1,740,676.50	339,662.00	24
Granite Construction Company (Watsonville)	1,689,549.65	339,662.00	21
DeSilva Gates Construction (Dublin)	1,679,294.00	278,279.50	20
Wattis Construction Company, Inc. (San José)	1,664,640.00	263,625.50	19
Top Grade Construction, Inc. (Livermore)	1,578,798.70	177,784.20	13
Engineer's Estimate	1,401,014.50	---	---

The low bid submitted by Top Grade Construction, Inc. is 13 percent above the Engineer's Estimate. The bid is considered reasonable for the work involved in the project. The variance can be attributed to the higher cost of oil, and the shortage and higher cost of steel materials used for traffic signal and street light poles.

During a review of the bid proposals, one mathematical error was noted in the bid submitted by Top Grade Construction, Inc. The sum of the extended prices does not equal the total contract bid amount. Section 2-1.05 of the City Standard Specifications states that in such situations the actual sum of the extended prices prevails over the amount contained in the bid. Correction of the mathematical error results in the actual bid amount being \$10,000 lower than the amount contained in the bid. The table above reflects the corrected bid.

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

On March 24, 2004, staff held a community meeting to present the scope and give the public an opportunity to comment on the proposed project.

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.

COORDINATION

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

COST IMPLICATIONS

1. COST OF RECOMMENDATION: \$1,578,798.70

2. COST OF PROJECT:

Project Delivery	\$ 410,000.00	*
Construction	1,578,798.70	
Land Acquisition	300,000.00	*
Contingency	79,000.00	
TOTAL	<u>\$2,367,798.70</u>	

* Project development costs of \$284,000 and land acquisition costs of \$221,000 were expended in prior fiscal years.

3. SOURCE OF FUNDING: 429 – Building & Structure Construction Tax Fund
471 – Recreation Bond Projects Fund

3. 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 it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

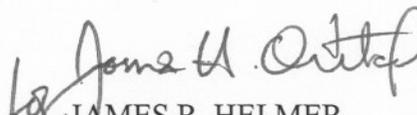
Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2004-05 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
429	4051	Story Rd: Senter to McLaughlin	118255	\$1,700,000 *	\$1,355,062.70	Page 823	N/A
471	4787	HHP&Z Traffic Signal on Story	129313	\$33,760,000	\$223,736	Page 749	N/A
		Total		\$35,460,000	\$1,578,798.70		

* \$400,000 appropriation amount augmentation was approved in September 2004.

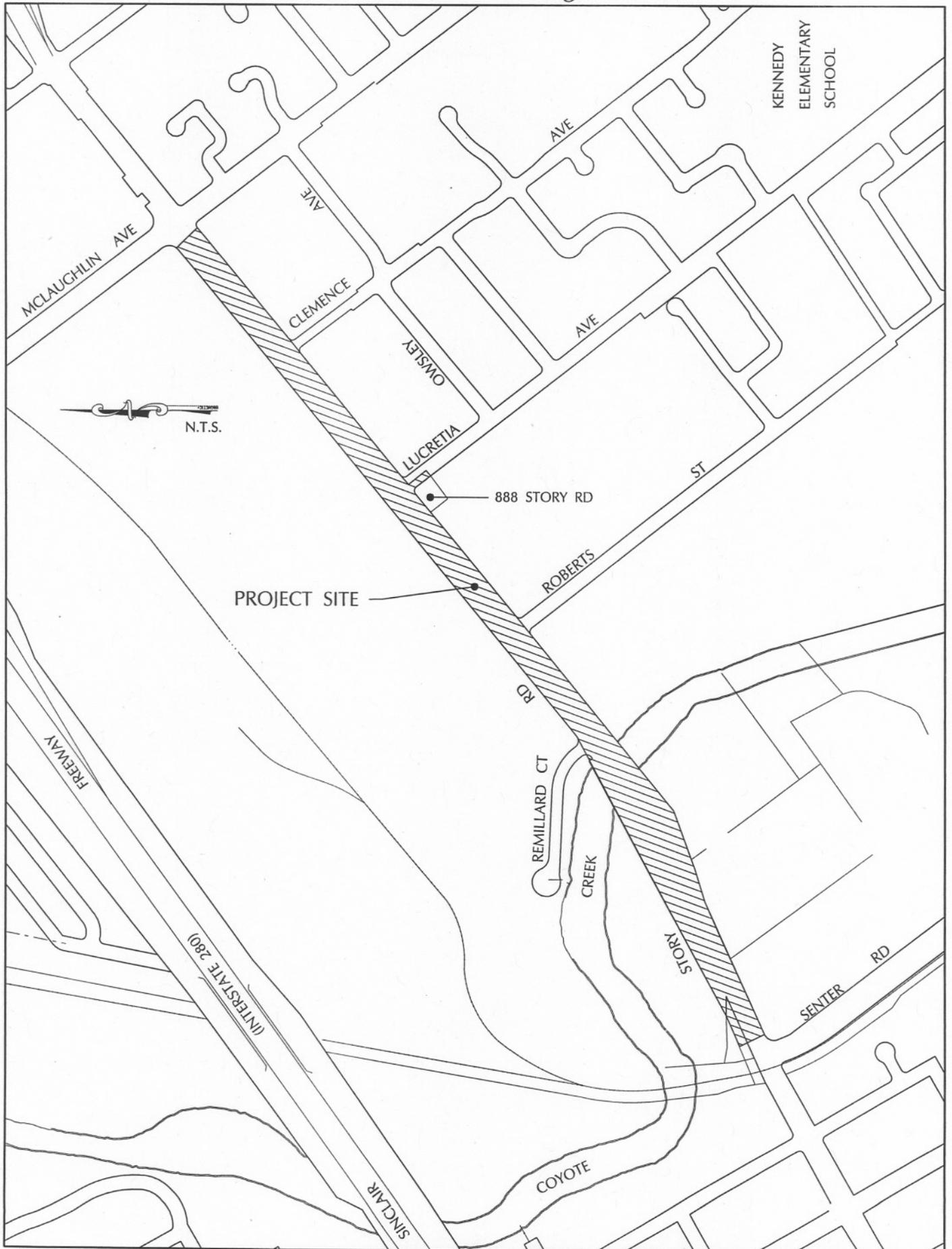
CEQA

Exempt, PP04-03-084, dated April 6, 2004.


KATY ALLEN
Director, Public Works Department


JAMES R. HELMER
Director of Transportation

Story Road Widening (Senter Road to McLaughlin Ave)



NOT TO SCALE