



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: LOWER GUADALUPE RIVER
TRAIL (REACHES A-E)

DATE: April 2, 2012

Approved 

Date 4/10/12

COUNCIL DISTRICTS: 3 and 4

RECOMMENDATION

Report on bids and award of contract for the Lower Guadalupe River Trail (Reaches A-E) to the low bidder, Wattis Construction Co., Inc., in the amount of \$3,223,032, and approval of a contingency in the amount of \$322,303.

OUTCOME

Approval of this construction contract will allow for construction of the Lower Guadalupe River Trail providing a 6.4 mile trail along the Guadalupe River from Interstate 880 to Gold Street. Approval of a ten percent contingency will provide funding for any unanticipated work necessary for the proper construction of the Project.

BACKGROUND

San José has one of the largest urban trail networks with nearly 54 miles already open to the public. The City's Green Vision advances development of a 100-mile interconnected network by 2022. The Guadalupe River Trail is a core system in the network and serves both recreational and commuter users.

In June 2005, a master plan was adopted by Council which describes the Lower Guadalupe River Trail as a 6.4 mile system from Highway 880 to Gold Street. Excess funds from the master planning process were programmed for preparation of 35% construction documents for future paving of the trail system.

In August 2005, the Federal Transportation Bill (SAFETEA-Lu) provided \$6,039,000 in funding for development of the Lower Guadalupe River Trail. This funding, along with a 20% match

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from the City, was to provide for Federal environmental documentation (NEPA), completion of construction documents, and construction of a paved trail and associated improvements.

In February 2006, the City executed an agreement with the Santa Clara Valley Water District (District) for an interim trail until such time that a paved trail could be constructed. In January 2008, the City and District completed joint construction of the Airport Parkway under-crossing to permit continuous and off-street access to the trail system.

During the design process, the City worked with Caltrans and other agencies to prepare federally-mandated environmental studies and construction documents for the paved trail system. This Project will pave the existing interim trail from Gold Street in north San José/Alviso to the existing Guadalupe River Park at Highway 880.

The base bid scope of work for the Project consists of construction of a 12 foot wide asphalt paved trail with two foot wide shoulders, decorative pavement at the trail entry points, five interpretative stations, signage, striping and miscellaneous site furnishings.

The construction bid package requires closure of the entire trail system and limits the schedule to 10 months. This approach was employed to seek the lowest bids, permit efficient deployment of skilled labor along the entire trail, and reduce the impact on trail users to a single construction season. Staff took several steps to limit the potential for a more prolonged schedule and educate about alternative routes.

- Design of an alteration to the Tasman Drive under-crossing has been completed but is not part of the project bid. The under-crossing is in the river channel and could require a seasonal closure of the entire construction site (the entire 6.4 miles). Supplemental grant funding has been secured for the under-crossing and the intent is to bid and award that work independently immediately after the larger trail project is complete and open to the public.
- All project work is to occur along the top of the levee structure; construction may occur throughout the year, with no risk of temporary closures for weather or flood occurrences.
- During construction, a signed detour will guide trail users to North First Street for pedestrian and bicycle travel. The detour route was reviewed by the City's Department of Transportation.
- The Trail Program website includes a Construction Update link to provide the community with periodic updates on the Project's milestones and schedule. Staff is proactively sending project updates to advocacy organizations, local media and other interested parties.
- Staff coordinated the design with the Department of Transportation's (DOT) Bike and Ped Program Coordinator and Parks, Recreation and Neighborhood Services' (PRNS) Trail Program Manager. PRNS Staff met with the Silicon Valley Bicycle Coalition and the Guadalupe River Park Conservancy to give them regular updates during the design process and will be providing monthly updates while the project is under construction.
- PRNS Staff regularly posts trail-related information on Twitter at SanJoséTrails. Major milestones related to construction of the Lower Guadalupe River Trail are to be posted.

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- The project's construction sign (posted at Hedding Street, Gold Street, and Airport Parkway) will include an email address and Quick Response code (for Smart phones) to access project information.

It is anticipated that the Project will begin in June 2012 with construction completed in April 2013.

ANALYSIS

Bids were opened on March 15, 2012 with the following results:

<u>Contractor</u>	<u>Base Bid</u>
Wattis Construction Co., Inc. (San José)	\$ 3,223,032.00
Granite Construction Co. (Watsonville)	\$ 3,294,393.70
O'Grady Paving, Inc (Mountain View)	\$ 3,395,322.75 */****
Pavex Construction Division (San José)	\$ 3,426,100.00
Stevens Creek Quarry, Inc. (Cupertino)	\$ 3,476,738.00
Top Grade Construction, Inc. (Livermore)	\$ 3,549,740.00
Galeb Paving Inc (Saratoga)	\$ 3,728,813.56 *
West Bay Builders, Inc. (Novato)	\$ 3,806,974.86 *
MCK Services (Concord)	\$ 3,288,027.25 **
Suulutaaq, Inc (Fairfield)	\$ 3,764,700.90 **

* Math errors corrected - Per Section 2-1.05 - In the case of any discrepancy between the extended price for any bid item bid, the unit price multiplied by the number of units shall prevail. In the event of any discrepancy between the total contract amount and the sum of the extended prices of all items, the sum of the extended prices of all items shall prevail.

** Bidder acknowledged receipt of Addendum 3 but failed to correct the quantities for Bid Items 32 & 33, so Bidder is found to be NON-RESPONSIVE.

*** On Statement of Bidder's Experience, Bidder put "Previous City of San José Projects" instead of listing projects. This was found to be a minor irregularity

The tight spread and the number of the bids received demonstrate the competitiveness of the bidding climate for this project. No protests were received.

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Wattis Construction Co., Inc. is the low bidder and staff recommends awarding the project to them. Council Policy provides for a standard contingency of ten percent on trail projects. There are sufficient funds to provide for the recommended contingency.

In accordance with Federal Regulations, 49 CFR Part 26, an Underutilized Disadvantaged Business Enterprise (UDBE) goal of 2% was established for this project. Wattis Construction Co., Inc. did not meet the UDBE goal and attained 0% participation. Wattis Construction Co., Inc. submitted documentation that demonstrated good faith efforts were made to solicit UDBE participation.

The lower than anticipated bid will yield a balance of federal earmark funding. The funding agreement executed with Caltrans required development of a continuous trail between Highway 880 to Gold Street. The pavement project will provide that continuity, but the trail system will still be impacted by seasonal closures at the Tasman Drive Under-Crossing. The under-crossing is relatively low and is subject to both storm and tidal flooding. The environmental and construction documents have been completed to elevate the under-crossing by 3'. The balance of funds will be applied to that project. The Tasman Drive Under-Crossing is also supported by funds secured through the Community Design and Transportation (CDT) grant (Resolution No. 75271, 02/09/2010). Upon future bidding of the Tasman Drive Under-Crossing project, staff will determine if any federal funding remains for allowable expenses on other trail projects. Staff extended the definition of the Lower Guadalupe River Trail project in the Transportation Improvement Plan (TIP) so the balance would likely support work on that on-going trail system.

EVALUATION AND FOLLOW-UP

This project is currently within budget and on schedule. No additional follow up action with Council is expected at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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This item meets the Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. 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.

This memorandum will be posted on the City's website for the April 24, 2012 City Council agenda.

COORDINATION

This proposed project and memorandum have been coordinated with the Departments of Parks, Recreation and Neighborhood Services, Planning, Building and Code Enforcement, the City Attorney's Office and the City Manager's Budget Office

FISCAL/POLICY ALIGNMENT

In addition to being consistent with the Council-approved Budget Strategy Economic Recovery section by spurring construction spending in our local economy, this project furthers the goals of the Green Vision, the Greenprint and Envision San José 2040.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$3,223,032

Project Delivery	826,244
Consultant Fees	1,954,185
Construction	3,223,032
Contingency	<u>322,303</u>
TOTAL PROJECT COSTS	6,325,764
Prior Year Expenditures	<u>(1,831,299)</u>
REMAINING PROJECT COSTS	4,494,465

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2. COST OF PROJECT:

Mobilization, Demolition, Site Preparation	392,145
SWPPP	389,386
Utilities	107,200
Concrete work	271,475
Asphalt paving	1,221,175
Electrical	143,000
Striping, signage & interpretive elements	224,935
Fencing	409,286
Misc. site furnishings	49,430
Federal Training Requirement Allowance	15,000
Total Construction Contract Amount	\$3,223,032

3. SOURCE OF FUNDING: 375 – Park Trust Fund

381 – Construction & Conveyance Tax Fund: CD 4

4. OPERATING COST: The operating and maintenance cost associated with the completed trail is estimated to be approximately \$58,000 annually, which was included in the 2013-2017 General Fund Forecast, released on February 29, 2012. The Proposed 2012-2013 Budget will include a recommendation to allocate partial year funding of \$19,000 to the Parks, Recreation and Neighborhood Services Department, with the remaining \$39,000 recommended to be added on an ongoing basis beginning in 2013-2014. This funding supports periodic maintenance, long-term repair and trail patrol staffing.

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BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn Name	RC	Total Appn	Amt for Contract	2011-2012 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$4,494,465			
Current Funding Available							
375	6261	Trail: Lower Guadalupe River (Gold Street to Highway 880)	Various	\$4,267,000	\$3,223,032	V-541	10/18/2011 Ord. No. 28979
381	6261	Trail: Lower Guadalupe River (Gold Street to Highway 880)	15161X	\$1,884,000		V-368	06/21/2011 Ord. No. 28928
Total Funding for Remaining Project Costs				\$6,151,000	\$3,223,032		

CEQA

Mitigated Negative Declaration, File No. PP04-323.

/s/

DAVID SYKES
Director of Public Works

For questions please contact Harry Freitas, Assistant Director, 408-535-8300.

Attachment

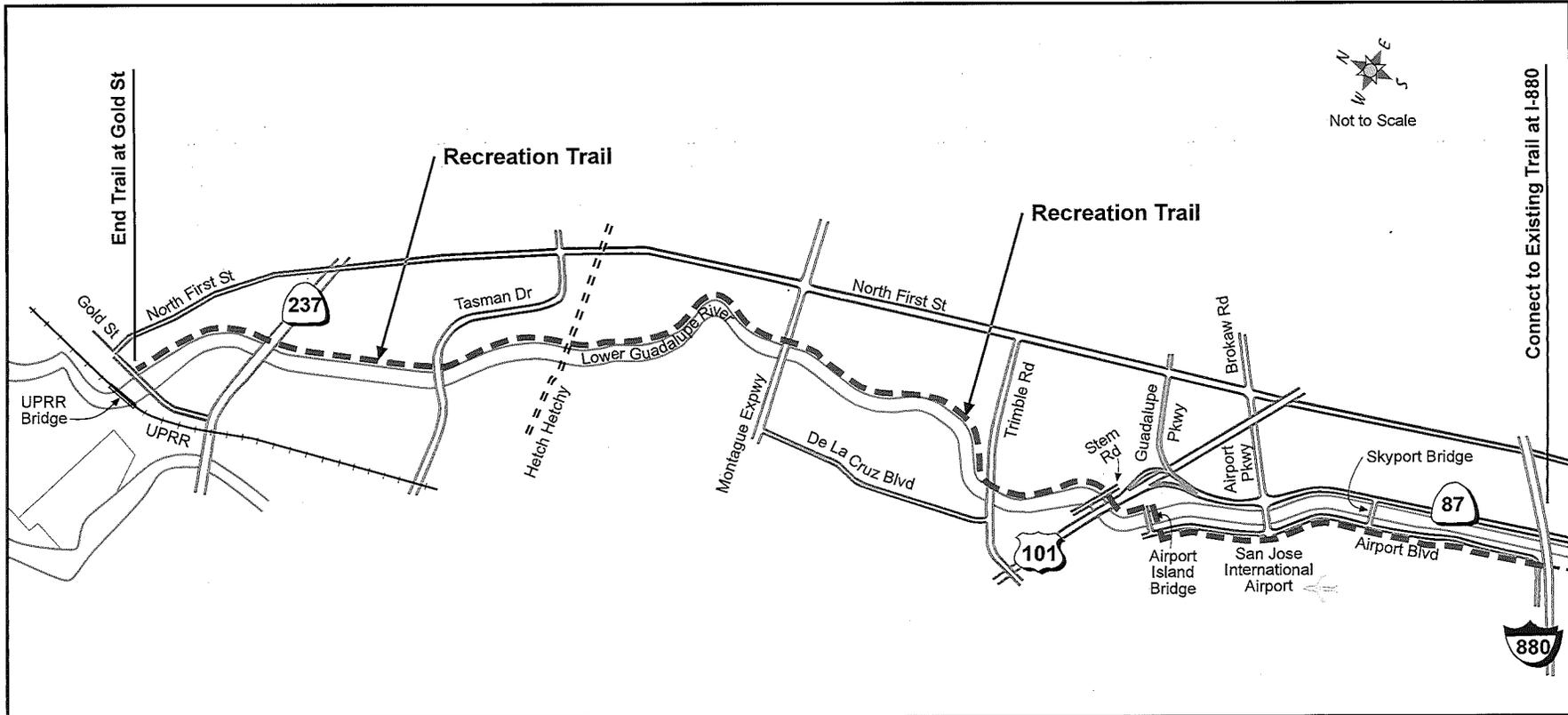


Figure 1
Lower Guadalupe River Trail Alignment