



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen

**SUBJECT: STREET LIGHTS
LENZEN-KEEBLE AND
WHITE ROAD**

DATE: 03-17-04

Approved

Date

Council Districts: 5, 6

RECOMMENDATION

Report on bids and award of contract for the Street Lights Lenzen-Keeble and White Road Project to the low bidder, San Jose Signal Electric Construction Inc., in the amount of \$144,745, and approval of a contingency in the amount of \$14,475.
CEQA: Exempt, PP01-02-023.

BACKGROUND

The Street Lights Lenzen-Keeble and White Road Project involves the installation of new street lights and the upgrade of existing lights on Lenzen Avenue, Keeble Street, Cinnabar Avenue, Julian Street and Morrison Avenue in the Lenzen-Keeble area. This project also involves the installation of new street lights and the upgrade of existing lights on White Road from McKee Road to Madeline Drive. Each project area is funded through Community Development Block Grants.

The improvements in the Lenzen-Keeble area and White Road were identified through citizen requests and are listed in the street light request backlog. Requests are prioritized in accordance with Council approved criteria. The Lenzen-Keeble area and White Road requests were selected from the request list based on priority and CDBG eligibility. Additionally, these areas had no other programs that could provide the requested improvements. The locations of these street light improvements are shown on location maps in Attachments 1 and 2.

The project provides 16 new street lights and 23 upgrades of existing street lights in the Lenzen-Keeble area. The project also provides 14 new street lights and 14 upgrades of existing street lights on White Road.

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

ANALYSIS

Bids were opened on March 4, 2004 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Shackell Telecom, Inc. (Santa Cruz)	\$336,984	\$146,984	77
Tennyson Electric, Inc. (Livermore)	235,498	45,498	24
Brown and Fesler, Inc. (Livermore)	209,940	19,940	11
Engineer's Estimate	190,000	---	---
Prism Engineering, Inc. (Hollister)	183,075	(6,925)	(4)
Pacific Electric Company (San José)	159,435	(30,565)	(16)
San Jose Signal Electric Construction, Inc. (San José)	144,745	(45,255)	(24)

The low bid submitted by San Jose Signal Electric Construction, Inc. is 24 percent under the Engineer's Estimate. The lower bid can be attributed to the highly competitive market that now exists.

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

PUBLIC OUTREACH

Staff has distributed preliminary engineering notices to the residents near the project locations and responded to comments and questions regarding the project. Staff will also attend community meetings upon request.

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 has been coordinated with residents, the Pacific Gas and Electric Company, the Departments of Parks, Recreation and Neighborhood Services, Transportation, Finance, and Planning, Building and Code Enforcement, the City Attorney’s Office and the City Manager’s Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$144,745

2. COST OF PROJECT:

Project Delivery	\$ 65,135
Construction	144,745
PG&E Services	5,000
Contingency	<u>14,475</u>
TOTAL	\$229,355

3. SOURCE OF FUNDING: 441 – Community Development Block Grant Fund
465 – Construction Excise Tax Fund

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. Minor General Fund operating and maintenance costs will be generated by this project in the amount of approximately \$3,400 a year, beginning in 2004-2005.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
441	4757	Street Lighting: Lenzen-Keeble	130265	126,100	46,525	2003-04 Operating Budget, Page 736	
441	4759	Street Lighting: White Road	130285	35,413	12,924	2003-04 Operating Budget, Page 736	
465	5356	Street Lighting	130235	769,000	85,296	2003-04 Capital Budget, Page 855	10/14/03, Ord. No. 26997
		Total		930,513	144,745		

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CEQA

Exempt, PP01-02-023.

KATY ALLEN

Director, Public Works Department

HF:PH:ew

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Attachments (2)