


STAFF REPORT

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GREG RAY, PUBLIC WORKS DIRECTOR/CITY ENGINEER 
SUBJECT: 2015-2 STREET REHABILITATION AND REPAIR PROJECT: AWARD OF CONSTRUCTION CONTRACT

BACKGROUND

Voters approved Measure K-14 on November 4, 2014, which authorizes the sale of up to \$48 million in bond funds for repair of residential streets over the next 25 years. City Council approved the first \$5 million bond issuance per Resolution No. 15-06 at the January 20, 2015, Council meeting and endorsed the recommended approach for identifying street construction projects on April 6, 2015. On June 1, 2015, the Council authorized the 2015 Street Rehabilitation and Repair Project (the Project). The Project is divided into three separate capital improvement projects: the 2015-1 Street Project, 2015-2 Street Project and 2015-3 Light Maintenance Project. This agenda item is regarding the 2015-2 Project.


The 2015-2 Project includes rehabilitation of pavement and accessibility improvements on the following streets:

- North 5th Street, Park View Avenue to Ocean View Avenue
- North 7th Street, West Grand Avenue to Brighton Avenue
- Saratoga Avenue, North 8th Street to North 12th Street
- Saratoga Avenue, North 16th Street to Oak Park Boulevard
- North 13th Street, West Grand Avenue to Atlantic City Avenue
- South 16th Street, Nice Avenue to Mentone Avenue
- South 13th Street, Farroll Road to Mid-block between La Selva Avenue and Highland Way
- Dover Court

The Engineer's Opinion of Probable Construction Cost for the 2015-2 Project is \$2,200,000. Note that the four blocks of Saratoga Avenue between North 12th and North 16th Streets are to be included in the 2015-3 light maintenance package that is currently in design.

Bids for the project were opened on Wednesday, December 16, 2015. The City received seven bids ranging from \$1,950,751.80 to \$2,461,000.00. The lowest responsive bidder is CalPortland Construction from Santa Maria, with a bid of \$1,950,751.80. Staff recommends award of the construction contract to CalPortland Construction.

APPROVED FOR FORWARDING


ROBERT PERRAULT
CITY MANAGER

Please Review for the Possibility of a Potential Conflict of Interest:

- | | |
|--|----------------------------------|
| <input checked="" type="checkbox"/> None Identified by Staff | <input type="checkbox"/> Bright |
| <input type="checkbox"/> Shoals | <input type="checkbox"/> Nicolls |
| <input type="checkbox"/> Lee | <input type="checkbox"/> Shah |

DISCUSSION

The estimated total cost for the 2015-2 Project is \$3,161,565.55 which includes construction costs, contingency funds and professional services for design, construction, management, and administration. Plans and specifications are available in the Public Works office and a copy will be made available at the January 4th City Council meeting.

Included in the estimated project cost is an estimate for the additional 13th Street improvements directed by Council, including sidewalk and bicycle lanes. The design for these improvements is being completed and will be included as a change order to the construction contract¹. Table 1 presents the detail on project cost estimates.

TABLE 1. PROJECT 2015-2 COST ESTIMATES

<u>Cost Components</u>	<u>Amount</u>
Construction	\$1,950,751.80
Construction 13 th Street Improvements (change order)	\$150,000.00
Design Services (design, pavement evaluation and field survey)	\$400,813.75
Construction Management	\$300,000.00
Administration/Project Management	\$110,000.00
Construction Phase Contingency (construction and management)	\$250,000.00
PROJECT BUDGET ESTIMATE	\$3,161,565.55

ALTERNATIVES

The Council has the following alternatives to consider:

1. Award the construction contract to the lowest responsive bidder, CalPortland Construction, in the amount of \$1,950,751.80; or
2. Delay award of the project and provide additional direction to staff; or
3. Reject all bids, modify the project and re-advertise for bids as soon as possible.

RECOMMENDATION

It is recommended that the Council: 1) adopt the Resolution awarding the 2015-2 Project construction to CalPortland Construction in the amount of \$1,950,751.80; 2) authorize the City Manager to sign and affirm change orders to the project in amounts up to \$400,000.00 to fund the 13th Street improvement modifications and other construction changes; and 3) authorize the Mayor to execute the contract on behalf of the City.

¹ The original bid documents included improvements for 13th Street as designed prior to Council direction. The contractor will be issued a change order to include the additional improvements as directed by Council, modifying the configuration to include bicycle lanes, bulb-outs and installing a sidewalk on the west side of South 13th Street .

FISCAL IMPACT

Total funding allocation to the 2015 Street Rehabilitation and Repair Project is \$5 million. The construction contract and other construction phase services are expected to cost approximately \$3,162,000. Approximately \$588,000 will remain for completion of a light maintenance program (Project 2015-3). Funds have been set aside to allow for design of streets proposed for completion with the 2016 Bond program. Table 2 presents the estimates for the 2015 project fund budgets. The majority of the \$5 million bond will be expended with completion of the 2015-2 project which is anticipated to be complete near the end of the fiscal year.

TABLE 2. 2015 STREET REHABILITATION AND REPAIR PROJECT BUDGETS

Component	Budget
2015-1 Repair/Rehab Project	\$869,935.43
2015-2 Repair/Rehab Project	\$3,161,565.55
2015-3 Light Maintenance Project	\$587,799.02
Pre-Planning and Design for 2016 Street Program	\$350,000.00
Bond Administration, Supplies & Services and Equipment	\$30,700.00
Total 2015 Measure K-14 Program	\$5,000,000.00

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act. Contractors who submitted a bid were sent a copy of the agenda and this staff report.

ATTACHMENTS

1. Resolution Authorizing Award of Contract
2. Bid Results
3. Street Rehabilitation & Repair Program Map – current status

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF GROVER BEACH, CALIFORNIA,
AWARDING THE 2015-2 STREET REHABILITATION AND REPAIR PROJECT
CONSTRUCTION CONTRACT CAPITAL IMPROVEMENT PROJECT NO. 295-2**

WHEREAS, the citizens of the City of Grover Beach approved Measure K-14 on November 4, 2014, authorizing up to \$48 million in bonds to fund the street rehabilitation and repair program that will be implemented over the next 25 years; and

WHEREAS, the City Council approved a \$5 million bond issuance on January 20, 2015, for the 2015 street rehabilitation and repair projects; and

WHEREAS, the City Engineer has prepared construction bidding documents for the 2015-2 Street Rehabilitation and Repair Project; and

WHEREAS, the City of Grover Beach received reasonable bids for the construction of this project on December 16, 2015; and

WHEREAS, the bid received from CalPortland Construction from Santa Maria was determined to be the lowest responsible bid.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Grover Beach, California, does hereby award the 2015-2 Street Rehabilitation and Repair Project construction contract (CIP 295-2), to the lowest responsive bidder, CalPortland Construction, in the amount of \$1,950,751.80. An estimated \$810,000 in other construction phase costs that include contingency costs (\$400,000), construction management costs (\$300,000), and administration cost (\$110,000), along with the bid price, combine for a total construction cost of \$2,760,751.80 for the above-named project during the construction phase; and

BE IT FURTHER RESOLVED that the City Council authorizes the City Manager to sign and affirm change orders to the above-named project in amounts up to \$400,000 to be deducted from said contingency and authorizes the Mayor to execute the contract on behalf of the City.

Resolution No. _____

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Upon motion by _____ and second by _____ and on the following roll call vote:

AYES: Council Members -
NOES: Council Members -
ABSENT: Council Members -
ABSTAIN: Council Members -

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California, this 4th day of January, 2016.

JOHN P. STOKES, MAYOR

DRAFT

Attest:

DONNA L. McMAHON, CITY CLERK

City of Grover Beach Bid Opening Results

Bid Opening Date: *Wednesday, December 16, 2015 at 2:00 p.m.*
Bids for: *Street Rehabilitation and Repair Project*
Measure K-14 Street Repair and Rehabilitation Program
2015 Design, Bidding, and Construction Phase
Bid Estimate: *2.2M*

Sealed Bids Received from:

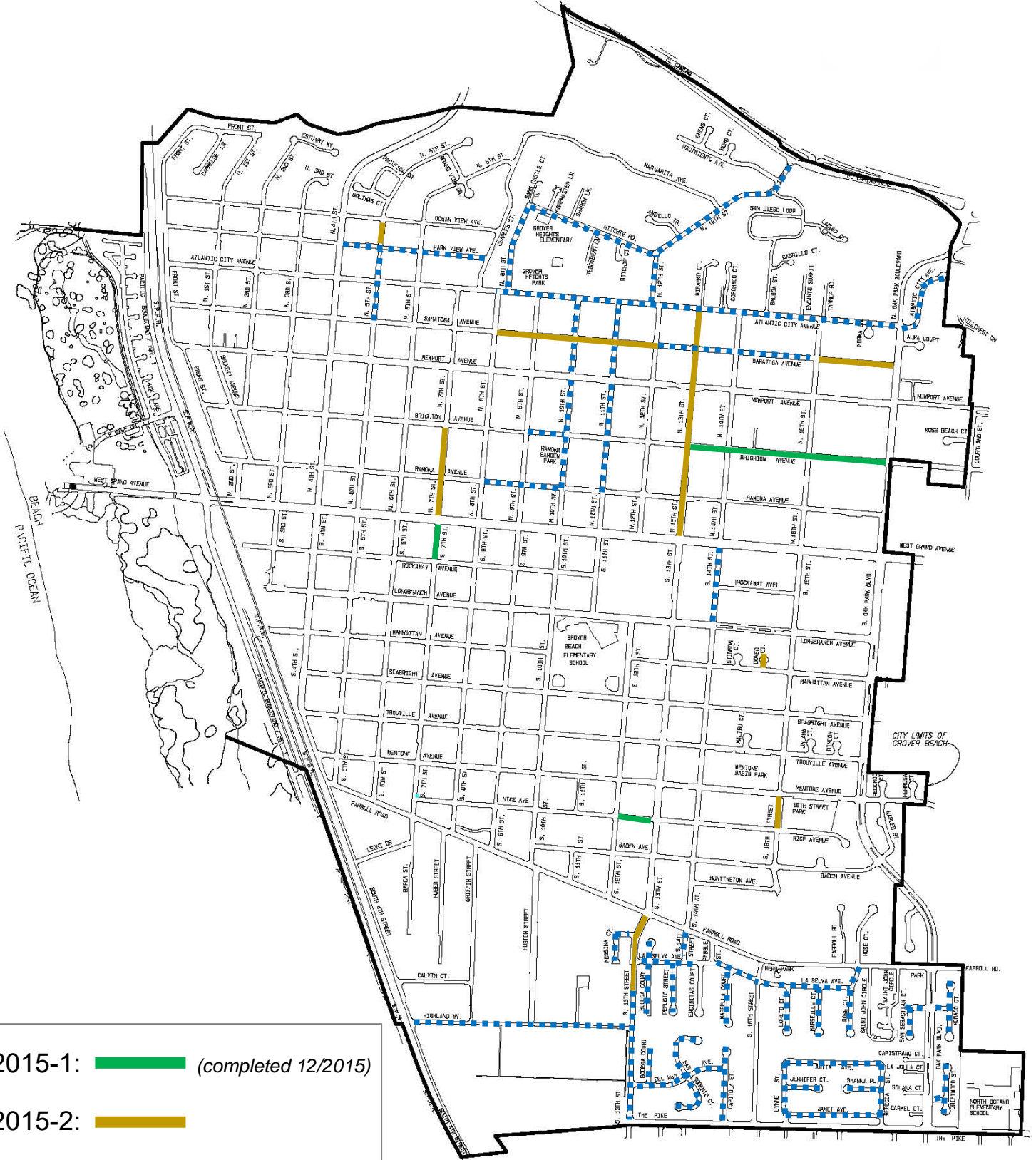
NO.	COMPANY NAME	TOTAL BID PRICE (Page 7)
1.	S. Chaves Construction, Inc. 11545 Los Osos Valley Road, #C-3 SLO, CA 93405	\$2,282,124.83
2.	The J.F. Will Company 2640 Industrial Parkway #100 Santa Maria, CA 93455	\$2,290,463.55
3.	Souza Construction, Inc. PO Box 3810 San Luis Obispo, CA 93403-3810	\$2,039,000.00
4.	Papich Construction Co, Inc. PO Box 2210 Pismo Beach, CA 93448	\$2,461,000.00
5.	CalPortland Construction PO Box 1280 Santa Maria, CA 93456	\$1,950,751.80
6.	John Madonna Construction Co, Inc. PO Box 5310 San Luis Obispo, CA 93433	\$2,247,724.24
7.	Whitaker Construction Group, Inc. 2752 Concrete Court Paso Robles, CA 93446	\$2,254,784.06

***Bid results are subject to verification by engineering.**



City of Grover Beach

Street Rehabilitation & Repair Program



- 2015-1: (completed 12/2015)
- 2015-2:
- 2015-3: (light maintenance)