

Recommended Action:

A) Accept the lowest responsive and responsible bid submitted by Alfaro Communications Construction, Inc. in the amount of \$289,075; and,

B) Appropriate \$100,404 of undesignated Traffic Impact funds to Traffic Impact project account 20690007.82700; and,

C) Authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and,

D) Authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the contract construction costs or \$43,361.

Alternative Action(s):

Reject all bids and provide staff with alternative direction.

Analysis:

The City applied for grant funding for a traffic signal modification under the Federal Highway Safety Improvement Program (HSIP). The intersection of Newland Street and Ellis Avenue was identified for the installation of left turn arrows based on their recent collision history. The grant application was approved and engineering and construction funds were subsequently approved.

The project was included in the FY 2018/19 Capital Improvement Program as a continuing project. Due to construction cost increases and the significant increase in material costs, especially steel products, the originally budgeted funds are not adequate to complete construction, therefore additional local funding is required.

This project, at the intersection of Newland Street and Ellis Avenue, consists of installing left turn arrows for all four directions of traffic and fiber optic interconnect.

A complete set of plans and specifications are available for review at the Public Works counter during normal business hours.

Bids were opened on February 20, 2019, and are listed in ascending order:

	Bidder	Submitted Bid	Corrected Bid
1	Alfaro Communications Construction, Inc.	\$289,075.00	
2	Elecnor Belco Electric, Inc.	\$289,425.00	
3	International Line Builders, Inc.	\$308,297.78	\$308,300.65
4	PTM General Engineering Services, Inc.	\$314,014.00	
5	DBX, Inc.	\$325,221.00	\$325,231.00
6	Dynalectric, Inc.	\$330,239.00	

7	Calpromax Engineering, Inc.	\$329,790.00
8	Crosstown Electrical and Data, Inc.	\$353,480.00
9	Select Electric, Inc.	\$364,463.00
10	Sturgeon Electric California, Inc.	\$367,425.00
11	California Professional Engineering, Inc.	\$370,827.00
12	Comet Electric, Inc.	\$383,310.00

The total estimated cost of this project is \$495,085 which includes the City's direct purchase of all major equipment which is estimated at approximately \$115,000. This practice ensures consistency of equipment among the traffic signals and street lighting maintained by the City. Direct purchase also provides the added benefit of reduced costs to the City due to elimination of contractor mark-ups, typically in excess of 20 percent on this type of equipment.

Estimated Construction Costs

Bid	\$289,075
15% construction contingency	\$ 43,361
City furnished equipment	\$115,000
Construction administration	\$ 22,649
Material testing and labor compliance	<u>\$ 25,000</u>
Total	\$495,085

Federal grant funds totaling approximately \$358,500 are anticipated to be received with \$136,585 of Gas Tax and TIF funds required to provide the grant matching funds and to fund the items ineligible for federal reimbursement. These ineligible items include some of the construction administration tasks such as material testing and monitoring for labor compliance.

Funding Summary

Grant funds available	\$358,416
Grant funds encumbered or spent to date	\$84
Matching funds expended to date	\$521
Match available	\$35,660
Match appropriation required	<u>\$100,404</u>
Total estimated project cost	\$495,085

Staff is requesting that the Director of Public Works be given authorization to approve change orders on this project up to 15 percent of the construction cost rather than the standard 10 percent. The request equates approximately to the typical 10 percent contingency based on the total of the construction contract and the materials purchased by the City. This authorization will provide the added flexibility needed to complete a typical construction project yet still be consistent with the intent of the 10 percent limit.

Public Works Commission Action: The Public Works commission recommended this project on May 16, 2018, by a vote of 4-0-3 (Carr, Mulvihill and Stanford absent).

Environmental Status:

This project is categorically exempt pursuant to the California Environmental Quality Act, Section

15303 (c).

Strategic Plan Goal:

Enhance and maintain infrastructure

Attachment(s):

1. Project Location Map.