

AGENDA ITEM NO. 9:00 AM D

COUNCIL MEETING 10/20/11

APPROVED BY


DEPARTMENT DIRECTOR

CITY MANAGER

October 20, 2011

FROM: PATRICK N. WIEMILLER, Director
Public Works Department

BY: EFREN BAÑUELOS, Assistant Director 
Public Works Department – Capital Management Division

LAL GOONAWARDENA, Design Services Manager 
Public Works Department – Capital Management Division

SUBJECT: ADOPT FINDING OF A CATEGORICAL EXEMPTION PER STAFF DETERMINATION, PURSUANT TO SECTION 15301/CLASS 1 OF THE CEQA GUIDELINES, FOR THE CALIFORNIA AND MARKS AVENUES STREET WIDENING PROJECT

AWARD A CONSTRUCTION CONTRACT TO GRANITE CONSTRUCTION COMPANY IN THE AMOUNT OF \$1,115,828 FOR THE CALIFORNIA AND MARKS AVENUES STREET WIDENING (BID FILE NO. 3127) (COUNCIL DISTRICT 3)

RECOMMENDATIONS

Staff recommends that the City Council:

1. Adopt finding of a Categorical Exemption per staff determination, pursuant to Section 15301/Class 1 of the CEQA guidelines, for the California and Marks Avenues street widening project.
2. Award a construction contract to Granite Construction Company in the amount of \$1,115,828 for the California and Marks Avenues street widening project as the lowest responsive and responsible bidder and to authorize the Public Works Director, or his designee, to sign the contract, on the City's behalf.

EXECUTIVE SUMMARY

In 2000 California voters approved a bond measure to construct several Veterans Convalescent facilities throughout California. In 2003 the City of Fresno offered the State of California a site at the southeast corner of Marks and California Avenues for this purpose. This project is to install street improvements and widen California and Marks Avenues to serve the facility that is to be completed in April 2012.

Staff recommends that the construction contract in the amount of \$1,115,828 be awarded to Granite Construction Company, of Watsonville, for the California and Marks Avenues street widening project and

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authorize the Public Works Director or his designee to sign a contract on behalf of the City. This project is located in within the boundaries of City Council District 3.

BACKGROUND

In 2003 approximately \$125 million was made available in state and federal funds for the construction of the 300-bed Veterans Home in the Fresno County. The annual operating budget for this facility is estimated to be \$21 million. This expenditure is to employ 458 employees. Construction work on the Veterans Home project started in 2010 and expected to be completed by April 2012. Originally this project was to receive its roadway infrastructure under the Running Horse Development. Since the Running Horse Development failed to materialize, the City has undertaken the task of providing the basic roadway infrastructure essential for the operation of the proposed Veterans Home. In the adopted 2011 budget, the Public Works Department appropriated funds to install frontage improvements and widen California and Marks Avenues for the Veterans Home under construction.

The Public Works Department staff prepared Plans and Specifications and published a Notice Inviting Bids in the Business Journal on August 24, 2011, posted on the City's website and faxed to 10 builder exchanges. The specifications were distributed to 13 prospective bidders. The apparent low bid price was 10.37% below the engineer's estimate. Eleven bid proposals were received and opened in a public bid opening on September 29, 2011. Bid proposal prices ranged between \$1,115,828 and \$1,281,480.

Granite Construction Company's bid in the amount of \$1,115,828 is considered to be the lowest responsive and responsible bid. Staff recommends that the City Council award a contract in the amount of \$1,115,828 to Granite Construction Company. Bids are valid for sixty-two (62) days from the date of the bid opening.

ENVIRONMENTAL FINDING

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Categorical Exemption set forth in CEQA Guidelines, Section 15301/Class 1 of the State Guidelines. Section 15301/Class1 consists of the minor alteration of existing of public structures and facilities, including, existing streets, sidewalks and similar facilities that involve negligible or no expansion beyond current use exempt from CEQA requirements. No adverse environmental impacts will occur as a result the proposed project. Staff has determined that none of the exceptions as set forth in Section 15300.2 of the CEQA Guidelines apply to this project.

CITY COUNCIL OPTIONS

The City Council may take the following actions:

- A. Adopt finding of a Categorical Exemption per staff determination, pursuant to Section 15301/ Class 1 of the CEQA Guidelines, for the California and Marks Avenues street widening project; and, award a construction contract in the amount of \$1,115,828 to Granite Construction Company, as the lowest responsive and responsible bidder for the California and Marks Avenues Street widening and authorize the Public Works Director or his designee to sign the contract on behalf of the City; or
- B. Reject all bids.

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The project will be completed within sixty (60) working days from the date of the Notice to Proceed.

However, in the event all bids are rejected a minimum of sixty (60) days is required to rebid this project. This project funded with funds from Propositions 1B and 111.

FISCAL IMPACT

See attached statement.

Attachments:
Vicinity Map
Bid Evaluation

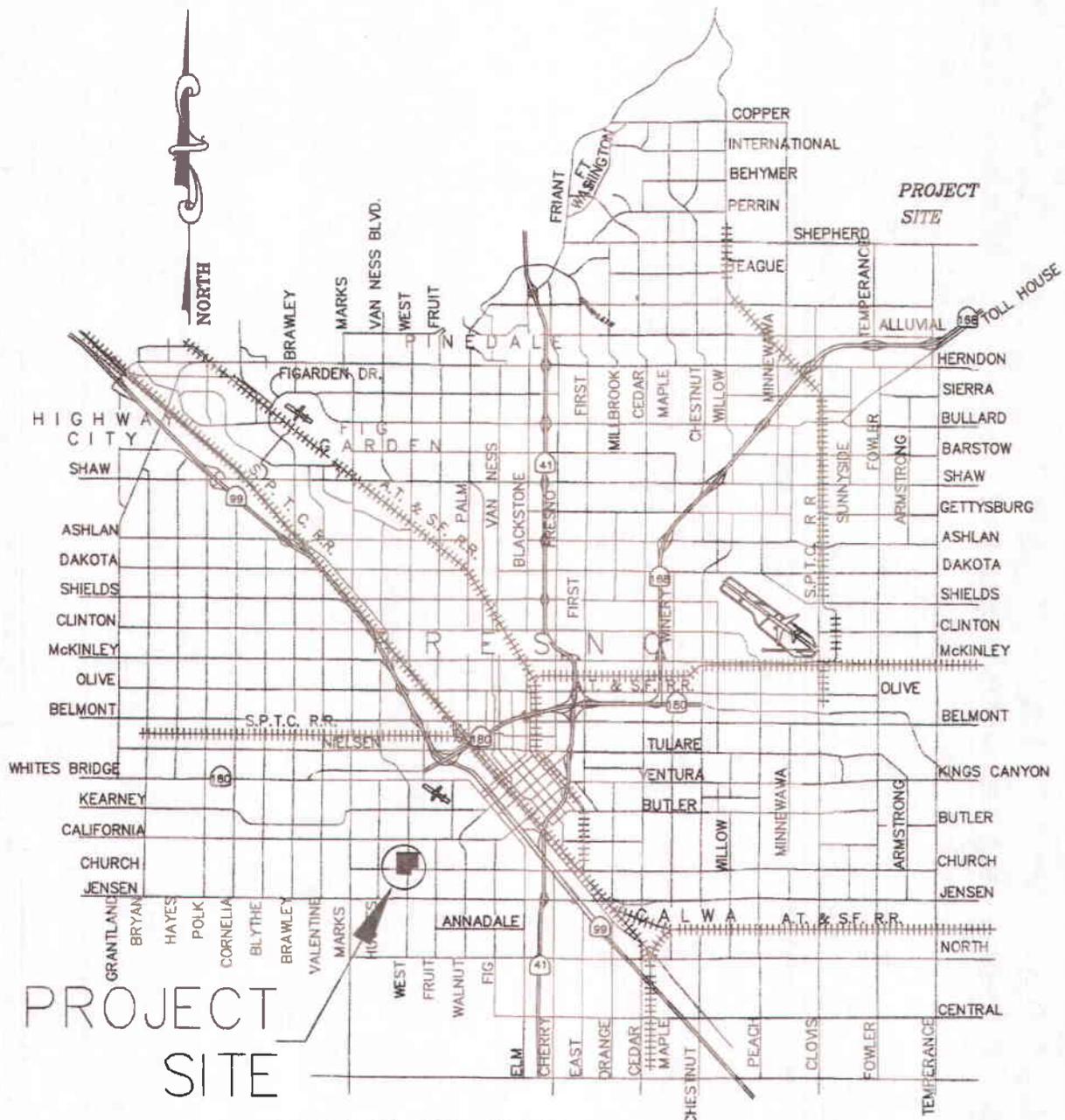
FISCAL IMPACT STATEMENT

PROGRAM: PW00605, CALIFORNIA AND MARKS AVENUES STREET WIDENING

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$1,115,828.00</u>	_____
Indirect Cost	<u>\$ 240,000.00</u>	_____
TOTAL COST	<u>\$1,115,828.00</u>	_____
Additional Revenue or Savings Generated	_____	_____
Net City Cost	_____	_____
Amount Budgeted (If none budgeted, Identify source)	_____	_____

Indirect costs consist of the following:

Project Management:	\$ 110,000
Contract Engineering Support:	\$ 10,000
Contract Contingencies	\$ 115,000
Contract Compliance	\$ 5,000
<u>Total</u>	<u>\$ 240,000</u>



PROJECT
SITE

VICINITY MAP

NOT TO SCALE

EVALUATION OF BID PROPOSALS

FOR: CALIFORNIA AND MARKS AVENUES STREET WIDENING

Bid File No. 3127
Bid Opening: 9/29/11

BIDDER'S	TOTAL NET BID AMOUNT
1. Granite Construction Company P.O. Box 50085 Watsonville CA 95077	\$1,115,828.00
2. American Paving Company P.O. Box 4348 Fresno CA 93744	\$1,129,846.00
3. Dave Christian Construction Co. 2233 S. Minnewawa Avenue Fresno CA 93727	\$1,150,316.60
4. Emmett Valley Construction Inc. 9662 W. Kearney Blvd. Fresno CA 93706	\$1,186,530.00
5. Yarbs Grading and Paving P.O. Box 87 Fowler CA 93625	\$1,200,155.50
6. R. J. Berry Jr., Inc. P.O. Box 468 Selma CA 93662	\$1,242,197.00
7. Emmett's Excavation, Inc. 1477 Menlo Avenue Clovis CA 93611	\$1,248,900.00
8. Seal Rite Paving and Grading 959 Clovis Avenue Clovis CA 93612	\$1,281,480.00

Each bidder has agreed to allow the City sixty-four (64) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, October 26, 2011, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$ 1,245,000.00. The contract price is 10.37% below the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

EVALUATION OF BID PROPOSALS

FOR: CALIFORNIA AND MARKS AVENUES STREET WIDENING

Bid File No. 3127
Bid Opening: 9/29/11

BACKGROUND OF PROJECT (To be completed by Evaluating Department/
Division. Explain need for project/equipment):

Approximately 125 million dollars were made available in State and Federal funds for the Construction of the 300-bed Veterans Home in the Fresno County. The annual operating budget for this facility is estimated to be \$21 million. This expenditure is to employ 458 employees and purchase goods. Construction work on the Veterans Home project started in 2010 and expected to be completed by April 2012. Originally this project was to receive its infrastructure under the Running Horse Development. Since the Running Horse failed to keep to its commitments the City has undertaken the task of providing the basic infrastructure essential for the operation of the proposed Veterans Home. In the adopted 2011 budget, the Department of Public works appropriated funds to install frontage improvements and widen California and Marks Avenues for the Veterans Home under construction.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

- Award a contract in the amount of \$ 1,115,282.00
to Granite Construction Company
as the lowest responsive and responsible bidder.

Remarks:

- Reject all bids. Reason:

Department Head Approval

Eileen Bonnell
Title Asst. PW Director
Date 10/4/11

EVALUATION OF BID PROPOSALS

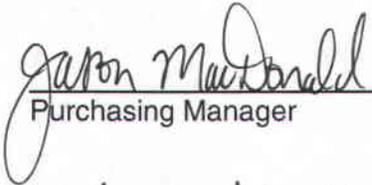
FOR: CALIFORNIA AND MARKS AVENUES STREET WIDENING

Bid File No. 3127
Bid Opening: 9/29/11

- Approve Dept. Recommendation Approve Finance/Purchasing Recommendation
 Disapprove Disapprove
 See Attachment

FINANCE DEPARTMENT

CITY MANAGER

 10/4/2011
Purchasing Manager Date

 10/4/11
City Manager or Designee Date

 10/4/2011
Finance Director/Controller Date