



Agenda Report

20-1478

Agenda Date: 2/11/2020

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the Homeridge Park Playground Rehabilitation Project (CE 17-18-20) and Related Budget Amendment [Council Pillar: Enhance Community Sports and Recreational Assets]

BACKGROUND

One of the City Council's goals is to enhance community sports and recreational assets to meet the needs of residential growth and build a vibrant and healthy community for current and future residents. In addition, it is vital to rehabilitate existing park infrastructure to meet current codes and the increased community demand for recreation facilities, programs, and activities.

In September 2017, the City entered into an agreement with David L. Gates & Associates, Inc. to conduct community outreach, develop contract plans and specifications, and provide bidding and construction services for the Homeridge Park Playground Rehabilitation Project ("Project"). The Project consists of rehabilitation and expansion of playground equipment and surfacing, walkways, landscaping, irrigation, and storm drainage. On June 12, 2018, Council approved the Project's schematic design and scope. On November 13, 2018, Council approved Resolution No. 18-1152, authorizing the City Manager to apply for and administer a GameTime playground matching grant for the Homeridge Park Playground; the eligible costs for playground structures for the grant are in the amount of \$41,490. At that time, Council was informed that additional Project funding would be required at the time of the construction contract award.

DISCUSSION

On December 18, 2019, bids were opened for construction of the Project. Four bids were received ranging from \$703,000 to \$935,560. The Bid Summary is included as Attachment 1. The bids included a base bid for the project improvements and one Add Alternate for an enhanced entrance area. The scope of work for Add Alternate 1, Arrival Plaza, includes installation of permeable pavers, irrigation, storm drainage, and City-furnished landscaping. The Arrival Plaza scope of work was included as an Add Alternate so that if costs came in too high, it could be deleted from the project. Based on the bid results, staff recommends awarding both the base bid and Add Alternate using unallocated Quimby Act fees.

The lowest total bid, submitted by Star Construction, Inc., in the amount of \$703,000 includes \$625,000 for the Base Bid plus \$78,000 for Add Alternate 1. The total bid is 14.78 percent above the Engineer's Estimate (EE) of \$612,501. The variance between Star Construction's bid and the EE can be attributed to the current economic climate with abundant work in the public and private sectors. While the lowest bid is higher than the EE, staff recommends awarding the contract to Star Construction. The bid results indicate that the low bid is an accurate reflection of the cost of work and it is unlikely that re-bidding the project in the current economic climate will produce a lower bid

result.

Star Construction's bid was reviewed for compliance with the terms and conditions of the Bid Documents and found to be the lowest responsible and responsive bid.

The Project is scheduled for completion by late 2020. The Project is considered a public work, which requires that prevailing wages be paid for work performed under the awarded Contract, as set forth in the Bid Specifications.

Staff is also recommending that the Project be identified as a specific Capital Improvement Program Project (CIP) to track the Homeridge Park playground rehabilitation expenses and grant funding separately from other playgrounds that are currently being rehabilitated and are budgeted in the broader Playground Construction project, which is currently supporting playground improvements at Homeridge, Agnew and Fuller Street Parks. Creating a separate project will make project finance tracking clearer for the remaining project costs; therefore, the Council item for action also requests authorization to establish a new CIP for the Project (Homeridge Park Playground Rehabilitation Project).

ENVIRONMENTAL REVIEW

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301, "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing.

FISCAL IMPACT

The cost of the construction contract is \$703,000 (Base Bid and Add Alternate 1) plus a 15 percent construction contingency of \$105,450, for any potential change orders. The total not-to-exceed construction contract amount is \$808,450. Staff recognizes the potential unknowns and challenges of working with the existing park facilities and hence recommends a 15 percent construction contingency for this Project. The Parks & Recreation Department will purchase the playground structures, landscaping materials, and site furnishings in the amount of \$250,825 for the contractor to install; other Project costs including design, engineering services during construction, printing, permits and miscellaneous additional items are \$206,925, for a total Project cost of \$1,266,200. Of the total project cost, \$155,110 was previously expended or encumbered in the Playground Construction project, and those costs will remain in that project. The recommended budget action will appropriate funds for the remaining project costs in the amount of \$1,111,090.

The Playground Construction project is currently supporting playground improvements at Homeridge, Agnew and Fuller Street Parks and has a balance of \$439,702, which will remain in this project. Staff recommends establishing a new CIP Project titled "Homeridge Park Playground Rehabilitation Project" in the amount of \$1,111,090 within Parks and Recreation Capital fund, funded by Unallocated Quimby Act Fees (\$1,069,600) and a grant from GameTime (\$41,490).

The grant from GameTime will provide a donation in the form of a product discount in the amount of \$41,490 and will match \$41,490 of City funds for the purchase of Playground Equipment. The value of the donation will be recorded in the Project as included in the table below and included in the total Project cost. The grant comes from a non-profit organization and not a government agency, therefore

the receipt is classified as a “donation.”

**Budget Amendment
FY 2019/20**

	Current	Increase/ (Decrease)	Revised
Parks & Recreation Capital Fund			
<u>Expenditures</u>			
Homeridge Park Playground Rehabilitation Project (New)	\$0	\$1,111,090	\$1,111,090
<u>Revenues</u>			
Donations	\$90,000	\$41,490	\$131,490
<u>Fund Balance</u>			
Unallocated Quimby Act Fees	\$3,933,437	(\$1,069,600)	\$2,863,837

COORDINATION

This report has been coordinated with the City Attorney's Office, Finance Department and Parks & Recreation Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Approve the establishment of a new Capital Improvement Program Project within the Parks and Recreation Capital Fund for the Homeridge Park Playground Rehabilitation Project and approve the related budget amendment in the Parks and Recreation Capital Fund to use \$1,069,600 from the Unallocated Quimby Act Fees Fund Balance and a donation of \$41,490 from GameTime to establish the Project budget in the amount of \$1,111,090;
2. Award the Public Works Contract for the Homeridge Park Playground Rehabilitation Project (CE 17 -18-20) to the lowest responsive and responsible bidder, Star Construction, Inc., in the amount of \$703,000 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project; and
3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$105,450, for a total not to exceed amount of \$808,450.

Reviewed by: Craig Mobeck, Director of Public Works

Reviewed by: James Teixeira, Director of Parks & Recreation

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Bid Summary