



Agenda Report

19-1649

Agenda Date: 2/19/2019

REPORT TO COUNCIL

SUBJECT

Action on Award of Contract for the Agnew Road-De La Cruz Boulevard Signal Timing Project and Related Budget Amendment

BACKGROUND

On November 21, 2017, City Council approved and authorized the City Manager to execute a Congestion Management Program Transportation Fund for Clean Air Agreement with the Santa Clara Valley Transportation Authority for a grant of \$220,000 for the Agnew Road-De La Cruz Boulevard Signal Timing Project (Project). To support the grant applications for this project, the City offered a local funding match amount of \$475,000 for the Project. This results in total project funding of \$695,000. In August 2018, the City contracted with Kimley-Horn and Associates to perform the design work for the Project and on December 26, 2018, the Project was advertised for public bid.

This Project is designed to improve signal timing, vehicle progression, and travel times for vehicles and transit along these corridors while reducing vehicle emissions and allowing for remote monitoring of traffic signals. Specifically, the project will upgrade traffic signal controller equipment, install traffic signal communications with fiber optic cables and conduits, and implement traffic signal coordination timing on these corridors. The Project boundaries include Agnew Road from Lafayette Street to Montague Expressway and De La Cruz Boulevard from Montague Expressway to Laurelwood Road, as seen in the Project Location Map (Attachment 1).

DISCUSSION

On January 16, 2019, bids were opened for construction of the Project. Two (2) bids were received ranging from \$786,053 to \$1,066,928. The Bid Summary is included as Attachment 2.

The lowest bid in the amount of \$786,053 submitted by Daleo, Inc., is approximately 46% above the engineer's estimate of \$537,865. The bids were prepared in a competitive environment with multiple contractors bidding for the project; therefore, the bid prices reflect the current market condition in the Bay Area. While the bids are higher than the Engineer's Estimate, staff recommends awarding the contract as there is no guarantee that re-bidding the Project in the current economic climate would produce a substantially lower bid result. Daleo, Inc. was reviewed for compliance under the terms and conditions of the Project Contract Documents, and has been determined to be the lowest responsive and responsible bidder. The Project is scheduled for completion in summer 2019.

ENVIRONMENTAL REVIEW

The Project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Section 15301(c) Existing Facilities, as the activity consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities involving negligible or no

expansion of use beyond that existing at the time of the lead agency's determination.

FISCAL IMPACT

The Agnew Rd - De La Cruz Blvd Signal Timing Project (533-1209) was funded at \$695,000. However, the cost of the contract is \$786,053, plus a 10% contingency amount of \$78,605, for a total not-to-exceed amount of \$864,658. Further, in August 2018, the City executed a design contract with Kimley-Horn and Associates for the not-to-exceed amount of \$73,560 for the Project. Due to grant funding deadlines, the City procured \$176,200 in traffic signal equipment in advance to ensure successful schedule completion. Finally, bid and advertisement costs are \$3,020. This results in a total project cost of \$1,117,438 with a funding need of \$422,438.

Therefore, in order to complete the project, staff recommends an additional appropriation of \$423,000. The additional funding need of \$423,000 is available in the City's Streets and Highways Fund in the Traffic Signal Enhancement Program (533-1219) in an amount of \$85,000, the Traffic Signal Controller Replacement Program (533-1223) in the amount of \$78,000, and the Traffic Signal Controller Upgrade (533-1357) in an amount of \$260,000. While the Agnew Road-De La Cruz Boulevard Signal Timing Project supports and implements the improvements generally described in the three existing CIP projects, due to the proposed shift in funding there may be an increase in time to replace aging equipment and perform signal enhancements. For the Traffic Signal Controller Upgrade Project, due to the proposed shift in funding, this will reduce the scope of this existing CIP project, however, an additional \$400,000 is included in the Adopted Biennial FY 2018/19 and FY 2019/20 Capital Budget.

BUDGET AMENDMENT **FY 2018/19**

Streets and Highways (533)	Current	Increase/ (Decrease)	Revised
<u>Expenditures</u>			
Traffic Signal Enhancements (533-1219)	\$ 287,855	(\$ 85,000)	\$202,855
Traffic Signal Controller Replacement (533-1223)	\$ 108,260	(\$ 78,000)	\$30,260
Traffic Signal Controller Upgrade (533-1357)	\$ 340,872	(\$ 260,000)	\$80,872
Agnew Rd - De La Cruz Blvd Signal Timing Project (533-1209)	\$ 695,000	\$423,000	\$1,118,000

COORDINATION

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

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. Award the Public Works Contract for the Agnew Road-De La Cruz Boulevard Signal Timing Project (CE 18-19-02) to the lowest responsive and responsible bidder, Daleo, Inc., in the amount of \$786,053, and authorize the City Manager to execute all documents associated with and necessary for the award, completion, and acceptance of the Project;
2. Authorize the City Manager to execute change orders up to 10% of the original contract amount, or \$78,605, for a total not-to-exceed amount of \$864,658; and
3. Approve the related budget amendment transferring \$85,000 from the Streets and Highway Fund in the Traffic Signal Enhancement Program (533-1219), \$78,000 from the Streets and Highway Fund in the Controller Replacement Program (533-1223) and \$260,000 from the Streets and Highway Fund in the Traffic Signal Controller Upgrade Program (533-1357) to the Agnew Road-De La Cruz Boulevard Signal Timing Project.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Project Location Map
2. Bid Summary