



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award of Bid No. PW15-21 for a New Traffic Signal on East Duane Avenue at Britton Avenue and Finding of CEQA Categorical Exemption

REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$347,600 to Pacific Electric Contracting, Inc. of San Jose for a new traffic signal on E. Duane Avenue at Britton Avenue (Public Works Project No. TR-13/03-13). Approval is also requested for a 10% construction contingency in the amount of \$34,760.

EXISTING POLICY

Pursuant to Section 1309 of the City Charter, contracts for the construction or improvement of public works are awarded to the lowest responsive and responsible bidder after notice of publication has been given (details provided below).

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) determination for this project is a categorical exemption pursuant to Class 1, Section 15301(c) for existing facilities.

BACKGROUND AND DISCUSSION

The scope of work for this project is to install a new traffic signal and concrete ADA curb ramps at the intersection of Duane Avenue and Britton Avenue. The project includes adjusting grades and roadways, resolving utility conflicts, installing video detection and wireless communication interconnect systems, and miscellaneous cabling/wiring. The installation of a new traffic signal will improve the operations at this intersection. .

This project was bid as follows:

Bid Notice: Advertised by official notice in The Sun on April 17, 2015;
 Provided to 18 Bay Area Builder's Exchanges;
 Posted on Onvia Demandstar public procurement network; and
 Published on the City's website.

Bid Response: 8 contractors requested bid documents.

Bid Results Sealed bids were publicly opened on May 6, 2015;
 Five responsive bids were received.

The lowest responsive and responsible bid was from Pacific Electric Contracting, Inc. of San Jose in

the amount of \$347,600. The Bid Summary is attached. The bid amount is 19% above the engineer's estimate of \$292,100. The engineer's estimate was prepared utilizing existing cost data for this type of work. Despite best efforts to anticipate project pricing, the City has been receiving mixed bid results, at times with significant differences from estimated costs. The current variability in the bidding climate is likely due to the amount of work available. Additionally, bid prices can be affected by a number of factors such as the availability/cost of needed materials, pool of experienced contractors and their proximity to the City. That said, it is unlikely that rebidding the project will produce a materially different result in the foreseeable future. Staff therefore recommends accepting the bid from Pacific Electric Contracting, Inc., the lowest responsive and responsible bidder. Staff also recommends the award of a 10% construction contingency in the amount of \$34,760.

FISCAL IMPACT

Project costs are as follows:

Construction	\$347,600
Construction contingency (10%)	<u>\$34,760</u>
Total cost	\$382,360

Budgeted funds are available in Capital Project 816000 (Future Traffic Signal Construction/Modification), funded by Cumulative Traffic Mitigation Fees.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Make a finding of CEQA categorical exemption pursuant to Class 1, Section 15301(c) for existing facilities; 2) Award a contract, in substantially the same format as Attachment 2 and in the amount of \$347,600, to Pacific Electric Contracting, Inc. for the subject project, and authorize the City Manager to execute the contract when all the necessary conditions have been met; and 3) Approve a 10% contingency in the amount of \$34,760.

Prepared by: Pete Gonda, Purchasing Officer
Reviewed by: Grace K. Leung, Director, Finance
Reviewed by: Manuel Pineda, Director, Public Works
Reviewed by: Robert A. Walker, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft General Construction Contract