



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award of Bid No. PW20-06 to Redgwick Construction Co. for Caribbean Drive Parking and Trail Access Enhancements, Accept the California Environmental Quality Act (CEQA) Program Environmental Impact Report (PEIR) Addendum, Authorize the City Manager to Accept Grant Funds and Execute a Sub-recipient Grant Agreement, and Approve Budget Modification No. 19

REPORT IN BRIEF

Approval is requested to award a general construction contract in the amount of \$981,100 to Redgwick Construction Co. of Oakland, CA for Caribbean Drive Parking and Trail Access Enhancements Project (Public Works Project No. UY-17-03), approval of a 10% construction contingency in the amount of \$98,110, and approval of a Budget Modification No. 19

EXISTING POLICY

Section 1309 of the City Charter requires public work construction contracts to be awarded to the lowest responsive and responsible bidder.

Pursuant to Section 2.09.040 of the Sunnyvale Municipal Code, City Council approval is required for public works contracts exceeding \$100,000 in any one transaction.

Per Council Policy 7.1.5-Donations, Contributions, and Sponsorships- The City Manager may apply for grants of any dollar amount, but shall notify the Council when grants are being pursued pursuant to Council Policy 7.1.1 (Fiscal - Long Range Goals and Financial Policies), B.4. (Grants and Intergovernmental Assistance). Any grants of \$100,000 or more, or that require a local match or obligate the City to ongoing expenses, shall require Council approval of a budget modification before funds can be expended by staff. The budget modification shall include the use to which the grant will be placed; the objectives or goals of the City that will be achieved through use of the grant; the local match required, if any, plus the source of the local match; any increased cost to be locally funded upon termination of the grant; and the ability of the City to administer the grant.

This grant does not meet all the criteria to be administratively appropriated by the City Manager; therefore, acceptance by the City Council and a budget modification is required. Grant funds from Environmental Protection Agency (EPA) have external reporting requirements and fall under the federal single audit guidelines.

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

ENVIRONMENTAL REVIEW

On August 23, 2016, the City Council certified the Program Environmental Impact Report for the Sunnyvale Water Pollution Control Plant Master Plan (Master Plan PEIR). Section 15164 of the CEQA Guidelines provides that an agency shall prepare an addendum to a previously-certified EIR if some changes are necessary but none of the conditions described in Section 15162 of the CEQA Guidelines have occurred that would require preparation of the subsequent EIR. Under Section 15162, a subsequent EIR is required when there are substantial changes to the project or circumstances that require major revisions to the previous EIR due to the involvement of new significant environment effects or substantially more severe impacts than were discussed in the EIR.

Analysis of the proposed project, which involves construction of bioretention rain gardens and relocated parking for Bay Trail access along Caribbean Drive, determined that the impacts will be similar to, or less than, those attributable to the project described in the Master Plan PEIR. As a result, an addendum to the Master Plan EIR has been prepared that explains the reasons why a subsequent EIR or MND is not required (Attachment 3). Pursuant to Section 15164 of the CEQA Guidelines, an addendum is not circulated for public review but must be considered by the decision-making body (i.e., City Council) prior to making a decision on the project.

BACKGROUND AND DISCUSSION

Capital Project 833160- SCWP Caribbean Drive Parking and Trail Access Enhancements revises and expands public parking along Caribbean Drive and relocates the trailhead from Carl Road onto Caribbean Drive. These actions will be required in order for the Carl Road street vacation to be recorded and the area will be incorporated into the Water Pollution Control Plant.

Grant Summary

In May 2016, the San Francisco Estuary Partnership (SFEP), a program of the Association of Bay Area Governments (ABAG), submitted an application to US Environmental Protection Agency (EPA) Region 9 for funding through the San Francisco Bay Water Quality Improvement Fund (SFBWQIF) for the Healthy Watersheds, Resilient Baylands Project (Project). The Project is a multi-strategy effort to develop integrated multi-benefit actions that support healthy watersheds and bayland resilience.

One component identified in the grant is the Caribbean Drive Green Street Demonstration Project, which will integrate bioretention rain gardens along with the relocated parking for Bay Trail access along Caribbean Drive. The bioretention rain gardens are a new and complementary component of the existing priority project for the Cleanwater Program and would result in a prominent demonstration of multi-benefit urban greening concepts and create a unique watershed-to-baylands educational setting for daily Bay Trail visitors and neighboring corporate employees. Traditionally, the primary objective of bioretention features (a form of green stormwater infrastructure) has been to slow, treat, and infiltrate stormwater through specially designed landscaping, thereby minimizing or treating stormwater before it enters local waterways. One of the Project's goals is to influence bioretention plant selection so that these features can also have broader ecological benefits. In this case, this is to be accomplished by selecting plant species that are commonly found in the baylands ecosystem over the plants that have traditionally been used in bioretention features.

Since the Caribbean Drive Green Street Demonstration Project is at the same site and on the same schedule as the Caribbean Drive improvements identified for the SCWP, these Green Streets features have been incorporated into the design and construction of Capital Project 833160- SCWP Caribbean Drive Parking and Trail Access Enhancements.

Granting Agency

The Healthy Watersheds, Resilient Baylands Project is administered and managed by SFEP, which was established in 1988 by the State of California and the U.S. Environmental Protection Agency under the Clean Water Act's National Estuary Program, when the San Francisco Estuary was designated as an estuary of national significance. SFEP is a collaboration of local, state, and federal agencies, NGOs, academia and business leaders working to protect and restore the San Francisco Bay-Delta Estuary.

Since 2008, EPA Region 9 has partnered with organizations across the nine Bay Area counties through the SFBWQIF, restoring streams, wetlands, and water quality from the Napa River in the North Bay to the salt ponds in the South Bay. The SFBWQIF priorities are to support projects that enhance aquatic habitat, restore impaired waters, and reduce polluted stormwater runoff. Consistent with program priorities, projects are tracked in three categories: restoring wetlands, restoring water quality, and greening development (e.g., Low Impact Development). EPA Region 9 awarded an SFBWQIF grant in the amount of \$1,667,683 to ABAG/SFEP for the implementation of the Project. The City is a partner in the grant project and a sub-recipient of the grant funds. The sub-recipient grant agreement (Attachment 4) is between ABAG, a joint powers agency acting on behalf of SFEP, and the City.

When the design contract was awarded (RTC No. 17-0085), the cost of Green Streets improvements was estimated to be \$780,000, with matching funds provided by Project 831511-Green Stormwater Infrastructure Implementation. When the alignment of the bike facilities and parking were revised in April 2018, (RTC No. 18-0306), the scope of the Green Streets improvements was reduced to accommodate the changes and to ensure compatibility with future development. ABAG and the City agreed to proportionately reduce the grant subaward to \$265,200 from the original budget of \$579,512.

Construction Contract

The Caribbean Drive Parking and Trail Access Enhancements project, occurring on Caribbean Drive between Mathilda Avenue and Crossman Avenue, has a scope of work that includes a multiuse ADA accessible pathway, new Bay Trail access, parking spaces along Caribbean Drive, Green Street Design utilizing bioretention, and on-street striping. Additionally, new fencing and signage will be added, utility boxes will be adjusted to grade, and landscaping and irrigation improvements will be completed.

The construction project was advertised for competitive bidding in the Sunnyvale Sun, posted on City's DemandStar public procurement network, published on the City's public website and distributed to the Bay Area Builder's Exchange on November 8, 2019. Twenty-four (24) contractors requested bid documents and sealed bids were publicly opened on December 4th, 2019, with seven responsive bids received.

Redgwick Construction Co. has the lowest responsive and responsible bid in the amount of \$981,100, (see Attachment 1 - Bid Summary). The bid is approximately 29.7% below the engineer's estimate of \$1,396,230.

FISCAL IMPACT

The construction contract cost is \$981,000, plus a 10% construction contingency in the amount of

\$98,110 for the total of \$1,079,210. The SFBWQIF grant includes a 50% local match requirement, which will be funded from Project 831511-Green Stormwater Infrastructure Implementation. The City will be responsible for ongoing maintenance of the green street features upon completion of the project.

The original SFBWQIF grant revenue was budgeted in Project 833160- SCWP Caribbean Drive Parking and Trail Access Enhancement and the local matching of the grant funds was budgeted in Project 831511-Green Stormwater Infrastructure Implementation. Staff recommends to re-class the grant funds from Project 833160 to Project 831511, so the funding related to the Green Streets improvements can be tracked in one project.

Budget Modification No. 19 has been prepared to eliminate the original grant award of \$579,512 in Project 833160. Re-establish the grant revenue for the reduced amount of \$265,200 in project 831511.

**Budget Modification No. 19
FY 2019/20**

	Current	Increase/ (Decrease)	Revised
Wastewater Management Fund			
<u>Revenues</u>			
Project 833160- SCWP Caribbean Drive Parking and Trail Access Enhancements	\$579,512	(\$579,512)	\$0
<u>Expenditures</u>			
Project 833160-SCWP Caribbean Drive Parking and Trail Access Enhancements	\$1,429,391	(\$579,512)	\$849,879
General Fund			
<u>Revenues</u>			
Project 831511- Green Stormwater Infrastructure Implementation - General Fund	\$0	\$265,200	\$265,200
<u>Expenditures</u>			
Project 831511- Green Stormwater Infrastructure Implementation - General Fund	\$488,540	\$265,200	\$753,740

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.

STAFF RECOMMENDATION

Take the following actions:

- Accept the PEIR Addendum in Attachment 3 to the report pursuant to CEQA Guideline Section 15162 and 15164 for Caribbean Drive Parking and Trail Access Enhancements;
- Authorize the City Manager to accept and execute a sub-recipient grant agreement with the Association of Bay Area Governments;
- Approve Budget Modification No. 19 to reduce the grant funds from the San Francisco Bay Water Quality Improvement Fund Grant in Project 833160- SCWP Caribbean Drive Parking and Trail Access Enhancements and appropriate the new amount of \$265,200 in Project 8331511 - Green Stormwater Infrastructure Implementation;
- Award a contract in substantially the same form as Attachment 2 to the report in the amount of \$981,100 to Redgwick Construction Co.;
- Authorize the City Manager to execute the contract when all necessary conditions have been met; and
- Approve a 10% construction contingency in the amount of \$98,110.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Construction Contract
3. PEIR Addendum
4. Grant Agreement