



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Award of Contract to Spencon Construction, Inc. for the Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2021 Project (PW21-07), Finding of California Environmental Quality Act (CEQA) Categorical Exemption, and Approve Budget Modification No. 7

REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$655,993 to Spencon Construction, Inc. of San Ramon for Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2021 Project (Public Works Project No. ST-21-01), approve a 10% construction contingency in the amount of \$65,599, and approve Budget Modification No. 7.

EXISTING POLICY

Section 1309 of the City Charter requires public works construction contracts 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 \$250,000 in any one transaction.

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

This project is exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(c), minor alteration of existing facilities, mechanical equipment, highways and streets involving negligible or no expansion of use beyond that which presently exists.

BACKGROUND AND DISCUSSION

Project 829400 - (Sidewalk, Curb, and Gutter Replacement) provides annual funding for the replacement of damaged or raised sidewalks, curbs, gutters, driveway approaches, and for tree and stump removal when necessary throughout the City. Locations requiring repair or replacement are generally identified by residents and then inspected, prioritized, and scheduled by the Department of Public Works Street Maintenance Division. Traditionally the locations identified in the process each year are bundled together and solicited for bids through the competitive bid process. The current project being considered for award consists of concrete replacement at approximately 54 locations throughout the City. Additionally, work to close a sidewalk gap at 1160 Kern Avenue (new Sunnyvale Community Services location) was added to this annual concrete project as a lump sum bid item and will be funded from Transportation Impact Fees. Sunnyvale Community Services anticipates opening

to the public at this new location in October 2021. There is no sidewalk along the frontage of 1160 Kern Avenue and the project will close the gap between the adjoining properties for pedestrian access.

Demand for replacement work under this project has continued to grow. This is largely due to tree roots continuing to raise the concrete and damage sidewalks, curbs, and gutters, including some that have been recently replaced. Staff continues to work to identify alternatives to full replacement, such as recommending tree removal/replacement, saw cutting raised locations, as well as follow up re-inspections.

The construction project was advertised on Demandstar on June 25. Thirteen (13) contractors requested bid documents. Sealed bids were opened on July 14 with six (6) responsive bids received. Spencon Construction, Inc. submitted the lowest responsive and responsible bid in the amount of \$655,993 (Attachment 1 - Bid Summary) for the street locations identified (Attachment 3).

FISCAL IMPACT

Funding is available in Project 829400 - Sidewalk, Curb, and Gutter Replacement for all the locations except the sidewalk gap closure at 1160 Kern Avenue. Staff recommends Budget Modification No. 7 to appropriate \$99,000 in funding (\$90,000 for work plus a 10% contingency of \$9,000) from the Capital Projects Fund, Transportation Impact Fee Sub-fund to fund the gap closure work.

Budget Modification No. 7 FY 2021/22

	Current	Increase/ (Decrease)	Revised
<u>Infrastructure Renovation and Replacement Fund</u>			
<u>Expenditures</u>			
Project 829400 - Sidewalk, Curb, and Gutter Replacement	\$ 1,899,884	\$ 99,000	\$ 1,998,884
<u>Capital Projects Fund - Transportation Impact Fee Sub-fund</u>			
<u>Reserves</u>			
Capital Reserve	\$ 35,082,356	(\$ 99,000)	\$ 34,983,356

PUBLIC CONTACT

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

RECOMMENDATION

Take the following actions:

- Make a finding of categorical exemption from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(c);
- Award a contract in substantially the same form as Attachment 2 to the report in the amount of \$655,993 to Spenco Construction, Inc. of San Ramon;
- Approve Budget Modification No. 7 in the amount of \$99,000 to provide additional project funding;
- 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 \$65,599.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Jaqui Guzmán, Deputy City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary
2. Draft General Construction Contract
3. Street Locations