



City of Sunnyvale

Agenda Item

18-1125

Agenda Date: 1/29/2019

REPORT TO COUNCIL

SUBJECT

Award of Bid No. PW19-05 to Spencon Construction, Inc. for Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2018 Project and Finding of California Environmental Quality Act (CEQA) Categorical Exemption

REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$1,648,533.30 to Spencon Construction, Inc. of Danville for the Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2018 Project. Approval is also requested for a 10% construction contingency in the amount of \$164,853.33.

EXISTING POLICY

Section 1309 of the City Charter requires public works 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.

ENVIRONMENTAL REVIEW

The California Environment Quality Act (CEQA) determination for the project is a categorical exemption pursuant to CEQA Guidelines Section 15301(c), for the restoring and rehabilitating of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, involving negligible or no expansion of use beyond that presently existing.

BACKGROUND AND DISCUSSION

Capital Project 829400 (Sidewalk, Curb, and Gutter Replacement) provides annual funding for the replacement of damaged or raised sidewalks, curbs, gutters and driveway approaches 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 requirements for each year are bundled together and contracted out through the competitive bid process. Approximately 340 locations throughout the City have been identified as requiring replacement in this construction project.

The construction project was advertised for competitive bidding on the City's DemandStar public procurement network and distributed to Bay Area Builders Exchange on November 2, 2018. Eleven contractors requested bid documents. Sealed bids were opened on November 28, 2018, with five responsive bids received (Attachment 1). The lowest responsive and responsible bid was submitted by Spencon Construction, Inc. in the amount of \$1,648,533.30.

FISCAL IMPACT

Project costs include the base bid of \$1,648,533.30 and a recommended 10% contingency in the amount of \$164,853.33, for a total of \$1,813,386.63. Budgeted funds are available in Capital Project 829400 (Sidewalk, Curb, and Gutter Replacement).

Funding Source

Capital Project 829400 (Sidewalk, Curb, and Gutter Replacement) is funded by the General Fund.

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 a California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines Section 15301(c); 2) award a contract in substantially the same form as Attachment 2 to the report in the amount of \$1,648,533.30 to Spencon Construction, Inc. for the Concrete Sidewalk, Curb, Gutter and Driveway Approaches 2018 Project, and authorize the City Manager to execute the contract when all necessary conditions have been met; and 3) approve a 10% construction contingency in the amount of \$164,853.33.

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. Draft General Construction Contract
2. Bid Summary