



## CITY COUNCIL STAFF REPORT

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**TO:** Honorable Mayor and City Council                      **DATE:** March 5, 2018

**FROM:** Matthew Bronson, City Manager

**PREPARED BY:** Greg Ray, Public Works Director/City Engineer

**SUBJECT:** Award of Construction Contract, Street Improvements  
(CIP 2295-5, Long Branch Avenue)

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### **RECOMMENDATION**

Adopt the Resolution awarding the contract for construction of CIP 2295-5, Long Branch Avenue, to JJ Fisher Construction, Inc., in the amount of \$1,322,176.77 for the Base Bid and Bid Additive 2; authorize the City Manager to sign and affirm construction change orders up to an aggregate of \$135,000; and authorize the Mayor to execute the contract on behalf of the City.

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### **BACKGROUND**

The City Council identified Street Rehabilitation and Related Infrastructure as one of the City's Major City Goals for 2017-18. Voters approved Measure K-14 in November 2014 which authorizes the sale of up to \$48 million in bond funds for repair of residential streets. The Council approved the first \$5 million bond issue in 2015 and an additional \$8 million in 2016. The first three projects funded by Measure K-14 are complete and have provided maintenance and repair of 84 city blocks or approximately 20% of all local city streets. On May 15, 2017, the Council awarded the construction contract for CIP 2295-4 which includes the streets identified below. This \$6.5 million project represents the largest road improvement project implemented in the City's history and includes:

- Stinson Court
- South 13<sup>th</sup> Street, from West Grand Avenue to Farroll Road
- Long Branch Avenue, from South 13<sup>th</sup> Street to South Oak Park Boulevard
- Newport Avenue, from Front Street to North 4<sup>th</sup> Street, and from North Oak Park Boulevard to the Eastern City Limits
- North 16<sup>th</sup> Street, from Atlantic City Avenue to West Grand Avenue
- 3<sup>rd</sup> Street, from the Northern City Limits to Long Branch Avenue
- South 8<sup>th</sup> Street, from West Grand Avenue to Farroll Road
- Mentone Avenue, from South 4<sup>th</sup> Street to Eastern City Limits

In 2017 the City Council approved a \$15 million bond which will fund additional street repair projects including the Long Branch project (CIP 2295-5), the Newport Avenue project (CIP 2295-6) and CIP 2295-7 which includes streets in the northwest corner of the city as identified below. CIP 2295-7 was advertised for bidding on January 20<sup>th</sup> with bids due February 27<sup>th</sup>.

- Front Street, Ocean View Avenue to 1<sup>st</sup> Street
- Carmelde Lane
- 1<sup>st</sup> Street, Front Street to Ocean View Avenue
- 2<sup>nd</sup> Street, Front Street to Ocean View Avenue
- Ocean View Avenue, Front Street to 4<sup>th</sup> Street

Staff developed the CIP 2295-5 Long Branch Avenue project bid documents to create a base bid project and several bid additives for Council consideration. These bid documents were informed

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by discussion and questions about the project scope and costs at the January 9, 2018 Council meeting. The project Base Bid consisted of street improvements on Long Branch Avenue, between South 4<sup>th</sup> Street and South 10<sup>th</sup> Street and will narrow the street from a paved width of 60 feet to a paved width of 48 feet by constructing decomposed granite parkways located between the street and original sidewalk. These new parkways will allow for future modifications to infiltrate and treat stormwater or may be used as planting areas by the properties they front. The Base Bid also includes sidewalk infill funded by Gas Tax funds to complete the sidewalk on both sides of the street and new Class II bike lanes while retaining all on-street parking.

Bid Additive No. 1 included water system improvements between South 4<sup>th</sup> and South 10<sup>th</sup> Streets. The work includes the addition of three new 12" gate valves to allow for better control of the water system at a cost of \$26,466, relocation of 11 water services and meter boxes to place them in the new sidewalk area per City standards at a cost of \$6,424, replacement of two substandard water services with new 1" services and meter boxes at a cost of \$4,830 and miscellaneous other work at a cost of \$744.

Bid Additive No. 2 added the section of Long Branch Avenue between South 3<sup>rd</sup> Street and South 4<sup>th</sup> Street and includes paving at approximately 26 feet wide and installation of new corner ramps and a cross gutter on the west side of South 4<sup>th</sup> Street at a cost of \$105,551.

The Notice to Bidders identified the basis of award to be on the Base Bid only. Bids for CIP 2295-5 were opened on January 24, 2018. The City received nine Base Bids ranging from \$1,216,625 to \$1,588,654. The Engineer's Estimate of the Base Bid was \$1,745,000. The lowest responsive and responsible bidder is JJ Fisher Construction, Inc., from Nipomo, with a Base Bid of \$1,216,625. Staff has completed a review of JJ Fisher Construction's qualifications and capability to complete the project and is recommending the Council award the construction contract to them.

Pending the Council's award of construction contract, preliminary construction on this project is scheduled to begin in late April 2018 and paving work is expected to begin by September 2018. The actual project schedule will be determined following award of the construction contract.

**FISCAL IMPACT**

The sources of funding identified by staff to fully fund CIP 2295-5 are identified below.

<b>Source of Funds</b>	<b>Amount</b>
Measure K-14 Bond Proceeds	\$1,735,075
CIP 4267, Upgrade of 2" and 4" Water Mains, Water Enterprise Funds	\$38,464
CIP 2273, Citywide Sidewalk Improvements, Gas Tax Funds	\$56,496
<b>Total</b>	<b>\$1,830,035</b>

The lowest Base Bid, Bid Alternates and estimated soft costs are identified below.

<b>Project Component</b>	<b>Amount</b>
Street Repair and Sidewalk Construction (base bid only)	\$1,216,625.48
Water System Improvements (bid additive 1)	\$38,464.00
Street Repair between S. 3 <sup>rd</sup> and S. 4 <sup>th</sup> Streets (bid additive 2)	\$105,551.29
Design Services	\$50,000

Construction Management	\$259,395
Administration/Project Management	\$25,000
Recommended Construction Contingency (approx. 9%)	\$122,000
Construction Management Contingency (approx. 5%)	\$13,000
<b>Project Cost Estimate (Base Bid + Additives)</b>	<b>\$1,830,035.77</b>

Staff has previously identified budget constraints in the Water Enterprise Funds. The water system improvements identified above are not critical in nature and could be deferred. Based on direction provided previously by the City Council, staff is recommending the water system improvements identified in Bid Additive 1 be deferred. As a result, the total project cost estimate is reduced to \$1,791,571.77 and the recommended award to JJ Fisher Construction, Inc., is \$1,322,176.77 for the Base Bid and Bid Additive 2. Staff is recommending the Council authorize the City Manager to approve contract and construction management change orders, if necessary, up to an additional \$135,000.

### **ALTERNATIVES**

The Council has the following alternatives to consider:

1. Award the construction contract to JJ Fisher Construction, Inc., in the amount of \$1,322,176.77 and authorize the City Manager to approve change orders, if necessary, up to a maximum amount of \$135,000; or
2. Delay award of the project and provide additional direction to staff; or
3. Reject all bids, modify the project and re-advertise for bids as soon as possible.

### **PUBLIC NOTIFICATION**

The agenda was posted in accordance with the Brown Act. Contractors who submitted a bid were sent a copy of the meeting agenda and this staff report.

### **ATTACHMENTS**

1. Resolution Authorizing Award of Contract
2. Bid Results

RESOLUTION NO. 18-\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GROVER BEACH, CALIFORNIA, AWARDED THE STREET REHABILITATION AND REPAIR PROJECT (CIP 2295-5, LONG BRANCH AVENUE) CONSTRUCTION CONTRACT**

**WHEREAS**, the citizens of the City of Grover Beach approved Measure K-14 in November 2014, authorizing the issuance of up to \$48 million in bonds to fund a street rehabilitation and repair program; and

**WHEREAS**, the City of Grover Beach approved a \$15 million bond issuance on November 6, 2017; and

**WHEREAS**, the City Engineer has ordered the preparation of construction bidding documents for the Street Rehabilitation and Repair Project (2295-5, Long Branch Avenue); and

**WHEREAS**, the City of Grover Beach received bids for the construction of this project on January 24, 2018; and

**WHEREAS**, the base bid received from JJ Fisher Construction, Inc., from Nipomo, in the amount of \$1,216,625.48 was determined to be the lowest responsive and responsible base bid; and

**WHEREAS**, JJ Fisher Construction, Inc., provided a bid for Bid Additive 2, construction of street improvements on Long Branch Avenue between South 3<sup>rd</sup> and South 4<sup>th</sup> Streets in the amount of \$105,551.29; and

**WHEREAS**, the total project costs are estimated to be \$1,791,571.77 which includes a contingency allowance of \$135,000 for construction and construction management contingencies.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Grover Beach, California, does hereby award the Street Rehabilitation and Repair Project (2295-5, Long Branch Avenue), to the lowest responsive bidder, JJ Fisher Construction, Inc., in the amount of \$1,322,176.77 for the Base Bid and Bid Additive 2.

**BE IT FURTHER RESOLVED** that the City Council authorizes the City Manager to sign and affirm change orders to the above-named project in amounts up to \$135,000 to be deducted from the approved contingency allowance and authorizes the Mayor to execute the contract on behalf of the City.

Upon motion by \_\_\_\_\_ and second by \_\_\_\_\_ and on the following roll call vote:

AYES: Council Members -  
NOES: Council Members -  
ABSENT: Council Members -  
ABSTAIN: Council Members -

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California, this 5<sup>th</sup> day of March, 2018.

**\*\* D R A F T \*\***

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JOHN P. SHOALS, MAYOR

Attest:

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DONNA L. McMAHON, CITY CLERK

## City of Grover Beach Bid Opening Results

**Bid Opening Date:** Wednesday, January 24, 2018 at 2:00 p.m.  
**Bids for:** Measure K-14 Street Rehabilitation, 2295-5-2016-2  
 Long Branch Avenue, from 3rd Street to 10th Street

Sealed Bids Received from:

No.	Company Name	Total Base Bid (Page 7 of Addendum #1)	Total Bid Additive #1 (Page 8 of Addendum #1)	Total Bid Additive #2 (Page 9 of Addendum #1)
1	DOD Construction PO Box 70187 Bakersfield, CA 93387	\$ 1,582,087.26	\$ 76,000.00	\$ 221,413.60
2	V. Lopez Jr. & Sons PO Box 488 Santa Maria, CA 93456	\$ 1,540,325.20	\$ 56,416.00	\$ 160,023.40
3	Souza Construction, Inc. PO Box 3810 San Luis Obispo, CA 93403	\$ 1,328,977.00	\$ 71,550.00	\$ 139,723.00
4	Papich Construction Co, Inc. 800 Farroll Rd Grover Beach, CA 93433	\$ 1,588,654.00	\$ 107,500.00	\$ 208,747.00
5	R. Burke Corporation PO Box 957 San Luis Obispo, CA 93406	\$ 1,296,647.40	\$ 92,800.00	\$ 147,661.00
6	John Madonna Construction Co, Inc. PO Box 5310 San Luis Obispo, CA 93403	\$ 1,518,712.00	\$ 48,015.00	\$ 174,827.75
7	S. Chavez Construction Inc. 11545 Los Osos Valley Rd, #C-3 San Luis Obispo, CA 93405	\$ 1,477,491.75	\$ 63,685.49	\$ 195,793.96
8	CalPortland Construction PO Box 1280 Santa Maria, CA 93456	\$ 1,404,747.25	\$ 39,079.00	\$ 138,676.75
9	JJ Fisher Construction Inc. PO Box 2219 Nipomo, CA 93444	\$ 1,216,625.15	\$ 38,464.00	\$ 105,551.29

**\*Bid results are subject to verification by engineering.**

*Please note: staff identified a minor bid calculation error in the JJ Fisher Construction, Inc. bases bid. The actual calculated base bid is \$1,216,625.48*