



COUNCIL/AGENCY AGENDA REPORT

DATE: MAY 11, 2005

TO: MAYOR AND TOWN COUNCIL/
CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

FROM: DEBRA J. FIGONE, TOWN MANAGER/EXECUTIVE DIRECTOR

SUBJECT: AWARD OF CONSTRUCTION CONTRACT FOR PROJECT 04-65 -ALLEY IMPROVEMENTS

A. ADOPT RESOLUTION DECLARING DURAN AND VENABLES INC. TO BE THE LOWEST RESPONSIBLE BIDDER ON THE PROJECT AND AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$ 511,475.00

B. AUTHORIZE STAFF TO ISSUE CHANGES ORDER TO THE CONSTRUCTION CONTRACT UP TO AN AMOUNT OF \$5,000.

RECOMMENDATION:

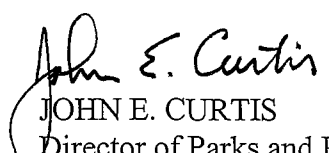
1. Adopt Resolution (Attachment 1) declaring Duran and Venables, Inc. to be the lowest responsible bidder on the project and awarding a construction contract (Exhibit A) in the amount of \$511,475.00.
2. Authorize staff to issue change orders to the construction contract up to an amount of \$5,000.

BACKGROUND:

On February 22, 2005, the Town Manager/Executive Director approved the plans and specifications for the Alley Improvement Project and authorized staff to advertise the project for bids. This project will improve five alleys in the Johnson Avenue and Loma Alta Avenue neighborhood area.

DISCUSSION:

Sealed bids for the Alley Improvements were received by the Clerk Administrator on May 4, 2005. Eight (8) bids were submitted and a summary of the bids received is attached (Attachment 2). Staff has carefully checked all of the bids received. Calhoun Brothers Construction Company was the apparent low bidder. However, they had made clerical errors on their bid and submitted a written request to the Town to withdraw their bid from consideration, to which staff agreed.

PREPARED BY: 
JOHN E. CURTIS
Director of Parks and Public Works

Reviewed by: PSJ Assistant Town Manager OK Town Attorney Clerk Administrator
A Finance Community Development

Revised: 5/11/05 12:01 pm

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The next lowest bidder is Duran and Venables, Inc, with a bid of \$511,475. Staff has determined that Duran and Venables, Inc. is the lowest responsive bidder. The Engineer's estimate of construction costs was \$484,350, approximately 6% below the lowest responsive bid. It is recommended that the Council/Agency adopt the attached resolution awarding the construction contract to Duran and Venables, Inc. This firm is also the lowest qualified bidder for the North Santa Cruz Avenue Paving Project, and is capable of performing both projects.

Further, it is recommended that the Council/Agency authorize staff to execute future Change Orders to the construction contract up to an amount of \$5,000.

If the Council/Agency acts as recommended, it is possible that the contractor could begin work on the project starting in June 2005 and complete the work by August 2005.

CONCLUSION:

Staff recommends that the Council accept the staff recommendations noted above.

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorically Exempt (Section 15301(c)). A Notice of Exemption will not be filed.

FISCAL IMPACT:

The FY 2004/05 Adopted Capital Improvement Program contains \$528,503, which was authorized by Council by budget adjustment on March 21, 2005. This is sufficient funding for the Alley Improvement Project, 461/930-0344 as displayed below:

Alley Improvements 461/930-0344	Adjusted Budget	Expended/Encumbered Or Planned To Date	Available Balance
FY 2003/04 Adopted Budget	\$ 250,000	\$ 243,497	\$ 6,503
Total Alley Improvements 461/930-0344			
FY 2004/05			
FY 2004/05 Carry Forward	6,503		
FY 2004/05 New Allocation	150,000		
		11,720	
FY 2004/05 Fund 461-Storm Drain #1	215,000		
FY 2004/05 930-0217 Street Reconstruction	157,000		
Proposed Duran & Venables Contract		511,475	
Proposed Contingency		5,000	
Total Alley Improvements 461/930-0344	\$ 528,503	\$ 528,195	\$ 308

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Attachments:

1. Resolution awarding Construction Contract (Exhibit A)
2. Bid Summary

RESOLUTION 2005

**RESOLUTION OF THE TOWN COUNCIL/REDEVELOPMENT AGENCY
OF THE TOWN OF LOS GATOS
AWARDING A CONSTRUCTION CONTRACT TO
DURAN AND VENABLES, INC.
FOR PROJECT 04-65 - ALLEY IMPROVEMENTS**

WHEREAS, bids were sought in conformance with State and Town law for Project No. 04-65 - Alley Improvements; and

WHEREAS, Duran and Venables, Inc. submitted the lowest bid which the Town Council/Redevelopment Agency deems to be responsive to the Town's solicitation.

WHEREAS, public improvements are of benefit to the project area or the immediate neighborhood of the project area; and

WHEREAS, no other reasonable means of financing such public improvements are available to the community; and

WHEREAS, the Redevelopment Agency's contribution to the cost of the public improvement will assist in elimination of one or more blighting conditions in the project area; and

NOW, THEREFORE, BE IT RESOLVED by the Town Council/Redevelopment Agency of the Town of Los Gatos, County of Santa Clara, State of California, that Duran and Venables, Inc. is declared to be the lowest responsible bidder for Project No. 04-65 - Alley Improvements.

BE IT FURTHER RESOLVED that the Town Manager/Executive Director is hereby authorized and directed to execute a construction contract (Attached as Exhibit A) for said project on behalf of the Town in the amount of \$ 511,475.00 .

BE IT FURTHER RESOLVED, that staff is authorized to execute future change orders, as necessary, up to an amount of \$5,000.

PASSED AND ADOPTED at a regular meeting of the Town Council/Redevelopment Agency of the Town of Los Gatos, California, held on the th day of , 2005, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED: MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR/SECRETARY OF THE REDEVELOPMENT AGENCY
OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

CONTRACT

THIS AGREEMENT is between the **Town of Los Gatos Redevelopment Agency** (hereinafter referred to as "Owner") and _____ Duran and Venables, Inc. _____ (hereinafter referred to as "Contractor"). Owner and Contractor, for the consideration hereinafter named, agree as follows:

A. SCOPE OF WORK

Contractor shall furnish all materials and perform all of the work for the construction of **PROJECT #04-65 Alley Reconstruction** in accordance with the Contract Documents.

B. CONTRACT PRICE

As full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Contract, also for all loss or damage arising out of the nature of the work aforesaid, or from the actions of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by Owner, and for all risks of every description connected with the Work, also for all expenses incurred by or in consequence of the suspension or discontinuance of work, and for well and faithfully completing the Work, and the whole thereof, in the manner and according to the Contract Documents, Owner shall pay **Five hundred eleven thousand four hundred seventy five (\$511,475.00)**, which shall supersede any other amount specified in the Contract Documents.

C. CONTRACT DOCUMENTS

All rights and obligations of Owner and Contractor are fully set forth and described in the Contract Documents. All parts of the Contract Documents are intended to be correlated so that any work called for in one part and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents. The Contract Documents are defined in Part I, Section 1-1.01(A) of these Specifications and are incorporated herein by reference the same as though set out in full.

D. BEGINNING OF WORK

Following the execution of this Contract and the approval of bonds and insurance policies and certificates, Owner shall issue a *Notice to Proceed* with the Work. Commencing work or the entrance of equipment or materials on the site of the Work by Contractor before receipt of the *Notice to Proceed* is at the sole risk and expense of Contractor, and the Contractor shall be fully liable for any damage or injury sustained by Owner or third persons resulting therefrom.

E. TIME OF COMPLETION

The Work called for herein shall be fully completed within **fifty** (50) working days of Contractor's receipt of the *Notice to Proceed*.

F. CORRECTION OF WORK AFTER ACCEPTANCE AND FINAL PAYMENT BY TOWN

Contractor shall remedy any defects due to faulty materials and/or workmanship and pay for any damages to other work and/or existing facilities resulting therefrom which shall appear within a period of 2 years from the date of recording of the *Notice of Completion*.

G. LIQUIDATED DAMAGES

The undersigned has reviewed and is thoroughly familiar with the appropriate sections of the Contract and Part I, Section 8-1.03 of these Specifications pertaining to liquidated damages.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of _____ day of _____, 20_____.

**TOWN OF LOS GATOS
REDEVELOPMENT AGENCY , by:**

CONTRACTOR, by:
Duran and Venables, Inc.

Debra J. Figone, Town Manager/
Executive Director

(Signature)

RECOMMEND BY:

(Print Name)

John E. Curtis
Director of Parks and Public Works

(Address)

APPROVED AS TO FORM:

(City, State, Zip)

Orry P. Korb, Town Attorney/
General Counsel

(Contractor's License Number)

ATTEST:

Marlyn Rasmussen,
Clerk Administrator/Secretary of the
Redevelopment Agency

Town of Los Gatos Parks and Public Works Department
 Alley Improvements Project #04-65
 Bid opening: May 4, 2005

				Engineers Estimate		Calhoun Brothers 400 Reed St., Suite A Santa Clara, CA 95050		Duran & Venables 261 Bothelo Ave. Milpitas, CA 95035		Pacific Underground Constr. 1817 Stone Ave. San Jose, CA 95125-1311		MKM General Engineering PO Box 2290 Cupertino, CA 95015		O'Grady Paving, Inc. 2513 Wyandotte St. Mountain View, CA 94043		Wattis Construction 964 Stockton Ave. San Jose, CA 95110		C.F. Archibald Paving Inc. PO Box 37, 3624 Hven Ave. Redwood City, CA 94064		Joseph J. Albanese, Inc. PO Box 667 Santa Clara, CA 95052-0667	
Item No.	Description	Quantity	Unit	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost	Unit Price	Item Cost
BASE BID SUMMARY																					
1	Mobilization/Demobilization	1	LS	23,750.00	23,750.00	15,000.00	15,000.00	45,000.00	45,000.00	15,500.00	15,500.00	8,000.00	8,000.00	10,000.00	10,000.00	53,612.00	53,612.00	20,000.00	20,000.00	15,402.00	15,402.00
2	Traffic Control	1	LS	23,750.00	23,750.00	10,000.00	10,000.00	3,000.00	3,000.00	5,000.00	5,000.00	5,500.00	5,500.00	10,000.00	10,000.00	14,972.00	14,972.00	25,000.00	25,000.00	7,645.00	7,645.00
3	Demolition	1	LS	40,000.00	40,000.00	10,000.00	10,000.00	28,000.00	28,000.00	17,500.00	17,500.00	48,000.00	48,000.00	100,000.00	100,000.00	45,793.00	45,793.00	25,000.00	25,000.00	59,792.00	59,792.00
4	Earthwork	1	LS	12,000.00	12,000.00	7,680.00	7,680.00	60,000.00	60,000.00	67,500.00	67,500.00	57,000.00	57,000.00	52,000.00	52,000.00	35,655.00	35,655.00	75,000.00	75,000.00	21,139.00	21,139.00
5	Asphalt Concrete Pavement (3.5 AC/6" AB)	21,500	SF	5.50	118,250.00	4.40	94,800.00	5.00	107,500.00	5.00	107,500.00	5.10	109,650.00	4.00	86,000.00	3.31	71,165.00	7.50	161,250.00	3.10	66,650.00
6	Concrete Valley Gutter (3' wide)	2,000	LF	40.00	80,000.00	30.00	60,000.00	15.00	30,000.00	24.00	48,000.00	24.25	48,500.00	30.00	60,000.00	34.75	69,500.00	44.00	88,000.00	29.00	58,000.00
7	Driveway Aprons	4	EA	1,500.00	6,000.00	2,500.00	10,000.00	2,400.00	9,600.00	4,035.00	16,140.00	500.00	2,000.00	600.00	2,400.00	1,400.00	5,600.00	3,000.00	12,000.00	3,244.00	12,878.00
8	24" HDPE - Excavated & Backfilled	175	LF	135.00	23,625.00	100.00	17,500.00	140.00	24,500.00	190.00	33,250.00	220.00	38,500.00	165.00	28,875.00	290.00	50,750.00	160.00	28,000.00	411.00	71,925.00
9	18" HDPE - Excavated & Backfilled	165	LF	115.00	18,975.00	68.00	11,220.00	115.00	18,975.00	188.00	31,180.00	210.00	34,650.00	165.00	27,225.00	180.00	29,700.00	180.00	28,800.00	408.00	66,880.00
10	15" HDPE - Excavated & Backfilled	350	LF	80.00	28,000.00	40.00	14,000.00	115.00	40,250.00	150.00	52,500.00	157.00	54,950.00	140.00	49,000.00	155.00	54,250.00	130.00	45,500.00	380.00	133,000.00
11	15" HDPE - Excavated, Backfilled & Anchored on Steep Slope (all inclusive)	70	LF	160.00	11,200.00	100.00	7,000.00	315.00	22,050.00	150.00	10,500.00	220.00	15,400.00	235.00	16,450.00	410.00	28,700.00	250.00	17,500.00	1,302.00	91,140.00
12	12" HDPE - Excavated & Backfilled	590	LF	75.00	44,250.00	40.00	23,600.00	110.00	64,900.00	125.00	73,750.00	152.00	89,680.00	170.00	100,300.00	185.00	109,150.00	170.00	100,300.00	401.00	236,590.00
13	10" HDPE - Excavated & Backfilled	15	LF	70.00	1,050.00	200.00	3,000.00	110.00	1,650.00	120.00	1,800.00	80.00	1,200.00	100.00	1,500.00	100.00	1,500.00	100.00	1,500.00	378.00	5,670.00
14	Asphalt Concrete Pavement (in areas outside of the limits of the Alleys)	1,400	SF	5.00	7,000.00	5.00	7,000.00	6.00	8,400.00	5.00	7,000.00	7.40	10,360.00	5.00	7,000.00	3.50	4,900.00	10.00	14,000.00	5.82	8,148.00
15	Concrete Sidewalk (where demolished for Storm Drain Construction)	250	SF	10.00	2,500.00	12.00	3,000.00	27.00	6,750.00	20.00	5,000.00	8.00	2,000.00	10.00	2,500.00	13.50	3,375.00	14.00	3,500.00	20.00	5,000.00
16	Storm Drain Manhole	4	EA	3,500.00	14,000.00	2,500.00	10,000.00	3,600.00	14,400.00	3,300.00	13,200.00	3,500.00	14,000.00	6,000.00	24,000.00	3,750.00	15,000.00	6,000.00	24,000.00	5,068.00	20,264.00
17	Storm Drain Inlets	10	EA	3,000.00	30,000.00	1,500.00	15,000.00	2,650.00	26,500.00	2,500.00	25,000.00	2,900.00	29,000.00	4,200.00	42,000.00	2,750.00	27,500.00	4,000.00	40,000.00	4,710.00	47,100.00
				\$484,350.00		\$318,600.00		\$511,475.00		\$530,325.00		\$566,390.00		\$619,250.00		\$621,122.00		\$706,950.00		\$827,431.00	

This certifies that all bids were received and opened on May 4, 2005, and that this is a copy of the bid tabulation with bids corrected for errors in addition & multiplication. By:

Kenn R. Lari