



MEETING DATE: 9/18/06
ITEM NO: 7

COUNCIL AGENDA REPORT

DATE: SEPTEMBER 13, 2006
TO: MAYOR AND TOWN COUNCIL
FROM: DEBRA J. FIGONE, TOWN MANAGER

SUBJECT: PPW-JOB NO.04-66 AWARD OF CONSTRUCTION CONTRACT FOR SHANNON ROAD TRAIL CONSTRUCTION PROJECT 0566

- A. ADOPT RESOLUTION DECLARING SUMMIT SPRINGS DESIGN, INC. TO BE THE LOWEST RESPONSIBLE BIDDER ON THE PROJECT AND AWARD A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$59,000
- B. AUTHORIZE BUDGET ADJUSTMENT OF \$9,000 TO INCREASE PROJECT BUDGET TO \$59,000
- C. AUTHORIZE TRANSFER OF \$9,000 FROM TRAIL-IN-LIEU FEES TO PROJECT 0566

RECOMMENDATION:

1. Adopt Resolution (Attachment 1) declaring Summit Springs Design, Inc. to be the lowest responsible bidder on the project and award a construction contract (Exhibit A) in the amount of \$59,000.
2. Authorize budget adjustment of \$9,000 to increase project budget to \$59,000.
3. Authorize transfer of \$9,000 from Trail-in-lieu fees to project 0566.

BACKGROUND:

The Town's Trail and Bikeway Plan reflects placement of a trail along Shannon Road connecting Hicks Road to Santa Rosa Drive. A main part of this trail project has been built by the Greenbriar Development project within their property area and ending at the Switzer property on Shannon Road. Mr. Switzer, as a condition of approval of his development project, gave the Town an easement and a sum of \$50,000 which would be used to construct a trail in this easement. In addition to the trail on the above easement, a connection will also be made to the trails built by Greenbriar Development project. This additional trail section will be constructed and paid for by trail in-lieu fees which has been previously collected from neighboring projects.

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

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Reviewed by: _____ Assistant Town Manager Town Attorney
_____ Clerk Administrator Finance _____ Community Development

PAGE 2

MAYOR AND TOWN COUNCIL

SUBJECT: PPW JOB NO. 04-66 AWARD OF CONSTRUCTION CONTRACT FOR
SHANNON ROAD TRAIL CONSTRUCTION PROJECT 0566

SEPTEMBER 13, 2006

The construction of a trail in the easement of the Switzer property brings the Shannon Road trail closer to Santa Rosa Drive and its trail system. The final section of this trail will cross another private property, and staff will continue to work on opportunities to secure easements for that trail in the future.

DISCUSSION:

For projects under \$75,000 construction costs, the Town's informal bid process does not require public advertising and the preparation of a set of complete plans and specifications for a project. This informal bid process allows staff to prepare a scope of work, solicit bids from three (3) contractors and award the contract to the lowest bidder. The Town uses this process for small and uncomplicated projects.

Bids for the Shannon Road Trail Construction were received by the Town Engineer on May 19, 2006. The following contractors submitted bids for this project:

Summit Springs Design, Inc.	\$59,000
Duran & Venables Inc.	\$66,000
Bianchi Amaker Construction	Declined to bid the project after walking the site

It is recommended that the Council adopt the attached Resolution that would declare Summit Springs Design, Inc. to be the lowest responsible bidder on the project and award a construction contract to this company in the amount of \$59,000. Staff has checked all of the bids received and has determined that Summit Springs Design, Inc. is responsible and that its bid is responsive to the Town's informal bid process. The construction of this project is anticipated to take place in October 2006. No contingency amount is anticipated as this is a small and uncomplicated project.

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 15301c). A Notice of Exemption will not be filed.

FISCAL IMPACT:

The FY 2006-07 Capital Improvement Program budget for the Shannon Road Trail is approved for \$50,000. Additional trail-in-lieu fees were collected in the amount of \$9,200 for nearby trail

MAYOR AND TOWN COUNCIL

SUBJECT: PPW JOB NO. 04-66 AWARD OF CONSTRUCTION CONTRACT FOR SHANNON ROAD TRAIL CONSTRUCTION PROJECT 0566

SEPTEMBER 13, 2006

improvements, and the transfer of \$9,000 of these fees to account 400-0566 will provide funding to complete this project, as outlined in the following chart:

Shannon Road Trail Construction					
FY 2005/06 Fiscal Impact	Approved Budget	Proposed Fee Transfer	Revised Budget	Proposed Contract	Remaining Balance
400-0566	50,000	-	50,000	50,000	-
Transfer in From Fees	-	9,000	9,000	9,000	-
TOTALS	50,000	9,000	59,000	59,000	-
TOTAL EXPENDITURES BY CATEGORY:					
Staff Labor			-		
Materials			-		
Engineering Design			-		
Construction Management			-		
Construction				59,000	
Construction Contingency				-	
TOTALS				59,000	

Attachment

Resolution declaring Summit Springs Design Inc. to be the lowest responsible bidder (with Exhibit A) Construction Contract

RESOLUTION

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AWARDING A CONSTRUCTION CONTRACT TO
SUMMIT SPRINGS DESIGN, INC.**

PPW JOB No.04-66 - SHANNON ROAD TRAIL CONSTRUCTION PROJECT 0566

WHEREAS, bids were sought in conformance with State and Town law for PPW JOB No.04-66 Shannon Road Trail Construction Project 0566; and

~~**WHEREAS**, Summit Springs Design, Inc. submitted the lowest bid which the~~
Town Council deems to be responsive to the Town's solicitation.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California, that Summit Springs Design, Inc. is declared to be the lowest responsible bidder for PPW JOB No.04-66 - Shannon Road Trail Construction Project 0566.

BE IT FURTHER RESOLVED that the Town Manager 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 \$59,000.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 18th day of September, 2006, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS

ABSENT:

ABSTAIN:

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

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

CONTRACT

THIS AGREEMENT is between the **Town of Los Gatos** (hereinafter referred to as "Owner") and **Summit Springs Design, 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 **PPW JOB No.04-66 - Shannon Road Trail Construction Project 0566** 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 (**Fifty nine thousand dollars**), (**\$59,000**), 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.

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 **Thirty (30)** 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*.

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

TOWN OF LOS GATOS, by:

by: Summit Springs Design, Inc.

Debra J. Figone
Town Manager

(Signature)

RECOMMEND BY:

John E. Curtis
Director of Parks and Public Works

APPROVED AS TO FORM:

Orry P. Korb
Town Attorney

(Contractor's License Number)

ATTEST:

Marlyn Rasmussen
Clerk Administrator