



MEETING DATE: 4/2/07

ITEM NO:

4

COUNCIL AGENDA REPORT

DATE: MARCH 22, 2007

TO: MAYOR AND TOWN COUNCIL

FROM: DEBRA J. FIGONE, TOWN MANAGER

SUBJECT: (PPW JOB NO. 04-60) – BALZER FIELD RESTROOM REMODEL AND EXPANSION PROJECT (0608)

- A. ADOPT RESOLUTION DECLARING SANTA CLARA VALLEY CORPORATION TO BE THE LOWEST RESPONSIBLE BIDDER ON THE PROJECT AND AWARD A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$139,752
- B. AUTHORIZE STAFF TO EXECUTE FUTURE CHANGE ORDERS TO THE CONSTRUCTION CONTRACT AS NECESSARY UP TO AN AMOUNT OF \$10,000
- C. AUTHORIZE BUDGET ADJUSTMENT OF \$21,398 FROM RESERVE FOR CAPITAL PROJECTS TO THIS PROJECT (0608) INCREASING THE PROJECT BUDGET TO \$176,398
- D. AUTHORIZE BUDGET EXPENDITURES UP TO \$176,398 FOR THIS PROJECT (0608)

RECOMMENDATION:

1. Adopt resolution (Attachment 1) declaring Santa Clara Valley Corporation to be the lowest responsible bidder on the project and award a construction contract (Exhibit A) in the amount of \$139,572.
2. Authorize staff to execute future change orders to the construction contract as necessary up to an amount of \$10,000.
3. Authorize budget adjustment of \$21,398 from Reserve for Capital Projects to this project (0608) increasing the project budget to \$176,398.
4. Authorize budget expenditures up to \$176,398 for this project (0608).

PREPARED BY:

KEVIN ROHANI

Interim Director of Parks and Public Works

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Reviewed by: PS Assistant Town Manager OK Town Attorney

SC Clerk Administrator SC Finance SC Community Development

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MAYOR AND TOWN COUNCIL

SUBJECT: (PPW JOB NO. 04-60) – BALZER FIELD RESTROOM REMODEL AND
EXPANSION PROJECT (0608)

MARCH 22, 2007

BACKGROUND:

This project will expand and remodel the existing restroom and snack shack building at Balzer Field. The project is consistent with the Town's goals to improve public health and safety and meets the eligibility requirements for this State grant program.

DISCUSSION:

On January 16, 2007, Council approved plans and specifications for the Balzer Field Restroom Remodel and Expansion and authorized staff to advertise the project for bids. Subsequently, on February 14, 2007, the Clerk Administrator received only one bid from Santa Clara Valley Corporation in the amount of \$168,538. The bid received was deemed unacceptable on the basis of cost and lack of other bids. Staff had determined that it would be more prudent to rebid this project again to receive more bids and a better cost. Therefore, on February 20, 2007, Council rejected the bid and authorized staff to re-advertise the project for bids.

On March 21, 2007, five (5) bids were received for this project. See (Attachment 2) Bid Summary. The apparent low bidder (\$136,900), Richwood Development Managers does not have a contractor's license and indicated they were planning to use their sub-contractor's license for the project. Both the bid documents and Town regulations clearly state that the main contractor must have a contractor's license in bidding any town projects. For this reason, the bid from Richwood Development Managers does not meet the Town's bidding rules and is therefore disqualified from consideration. The second low bidder (\$139,572), was Santa Clara Valley Corporation who submitted a bid that conformed to the bidding guidelines and is recommended for award of contract.

Staff has checked all of the bids received and has determined that Santa Clara Valley Corporation is a responsible entity and that its bid is responsive to the Town's formal bid process. It is recommended that the Council adopt the attached Resolution that would declare Santa Clara Valley Corporation to be the lowest responsible bidder on the project and award a construction contract to this company in the amount of \$139,572. It is anticipated that construction will begin on this project in April 2007.

The project's funding was approved on January 16, 2007 in the amount of \$155,000, of which \$141,174 is from State Proposition 12 Park Bond grant funds and \$13,826 from Town matching GFAR funds. The contract amount (\$139,572) provides a \$1,602 balance to the current budget. However, additional funding of \$21,398 is needed to provide sufficient funding for the construction contingency (\$10,000) and additional electrical work (\$13,000). To meet this funding shortfall, staff recommends a budget adjustment of \$21,398 from Reserve for Capital Projects (GFAR) to increase the Town match so that all the remaining unspent Roberti Z. Berg Proposition 12 grant funds will be utilized this year, (which requires a town match), while not changing any of the State Proposition 12/40 Park Bond grant allocations to the current

MAYOR AND TOWN COUNCIL

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designated parks improvement projects. Any unused GFAR will revert back to the general fund. The recommended budget adjustment will provide sufficient funding to complete the project this fiscal year.

CONCLUSION:

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

ENVIRONMENTAL ASSESSMENT:

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

FISCAL IMPACT:

The project's budget was approved for \$155,000 of which an estimated cost increase of \$21,398 necessitates a budget adjustment from reserve for Capital Projects fund to increase the project budget to \$176,398, to provide sufficient funding for this project. Any unused GFAR will revert to the general fund. The following chart describes the project budget, funding sources and adjustment request:

BALZER BASEBALL FIELD RESTROOM EXPANSION PROJECT Project 0608					
FY 2006/07 Fiscal Impact	Budget Funding	Budget Adjustments	Revised Budget	Contract Amount	Budget Balance
State Proposition 12 Park Bond (Fund 410-0608)	141,174	-	141,174	141,174	-
Reserve for Future Capital Projects (Fund 400-0608)	13,826	21,398	35,224	8,398	26,826
TOTALS	155,000	21,398	176,398	149,572	26,826
TOTAL EXPENDITURES BY CATEGORY:					
Staff Labor, Town Match					6,926
Design Consultant, Town Match					6,900
Electrical Contract, Town Match					13,000
Construction (Grant)				139,572	
Construction Contingency (Grant & Town Match)				10,000	
TOTALS				149,572	26,826

Attachments:

1. Resolution declaring Santa Clara Valley Corporation as the lowest responsible bidder (with Exhibit A) Agreement
2. Bid Summary

RESOLUTION

RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AWARDING A CONSTRUCTION CONTRACT TO
SANTA CLARA VALLEY CORPORATION
FOR PPW JOB NO. 04-60
BALZER FIELD RESTROOM REMODEL AND EXPANSION
FOR PROJECT 0608

WHEREAS, bids were sought in conformance with State and Town law for PPW Job No. 04-60 – Balzer Field Restroom Remodel and Expansion; and

WHEREAS, Santa Clara Valley Corporation 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 Santa Clara Valley Corporation is declared to be the lowest responsible bidder for PPW Job No. 04-60 - Balzer Field Restroom Remodel and Expansion.

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 \$139,572.

BE IT FURTHER RESOLVED, that staff is authorized to execute future change orders, as necessary, up to an amount of \$10,000.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 2nd day of April, 2007, 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 **Santa Clara Valley Corporation** (hereinafter referred to as "Contractor"). Owner and Contractor, for the consideration hereinafter named, agrees as follows:

A. SCOPE OF WORK

Contractor shall furnish all materials and perform all of the work for the construction of **PPW Job No. 04-60 - Balzer Field Restroom Remodel and Expansion** 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 (one hundred thirty nine thousand five hundred and seventy two dollars) (**\$139,572**), 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 there from.

E. TIME OF COMPLETION

The Work called for herein shall be fully completed in forty-five **(45) 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 there from 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 II, 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, by:

CONTRACTOR, by:

Santa Clara Valley Corporation

Debra J. Figone, Town Manager

(Signature)

RECOMMENDED BY:

(Print Name)

Kevin Rohani
Interim Director of Parks and Public Works

(Address)

APPROVED AS TO FORM:

Orry P. Korb, Town Attorney

(City, State, Zip)

ATTEST:

Jackie Rose, Clerk Administrator

(Contractor's License Number)

TOWN OF LOS GATOS

CLERK DEPARTMENT

BID SUMMARY

PROJECT: BALZER FIELD RESTROOM REMODEL & EXPANSION *0460

PROJECT

DATE: March 21, 2007 TIME: 10:00 A.M. BY: Jackie Rose

	BIDDER	CONFIRMED BID	NET BID
①	Richwood Development Managers 16230 Shannon Road Los Gatos, CA 95032		136,900.00
⑤	Kuehne Construction 933 Kifer Road, Suite B Sunnyvale, CA 94086		200,578.00
②	Santa Clara Valley Corporation 715 N. First Street, Suite 27 San Jose, CA 95112		139,572.00
③	B-Bros. Construction, Inc. 14610 Merced Street San Leandro, CA 94579		179,200.00
④	Silicon Valley Builders 111 W. St. John Street #950 San Jose, CA 95113		185,414.00

ATTEST: 

DATE: 3-21-07