



MEETING DATE: 5/21/07
ITEM NO: 5

COUNCIL AGENDA REPORT

DATE: MAY 15, 2007

TO: MAYOR AND TOWN COUNCIL

FROM: DEBRA J. FIGONE, TOWN MANAGER

SUBJECT: PPW JOB NO. 07-03 – JOHNSON AVENUE STORM DRAIN
IMPROVEMENTS PROJECT 0727

- A. ADOPT RESOLUTION DECLARING CASEY CONSTRUCTION COMPANY TO BE THE LOWEST RESPONSIBLE BIDDER ON THE PROJECT AND AWARD A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$80,072.
- B. AUTHORIZE STAFF TO EXECUTE FUTURE CHANGE ORDERS TO THE CONSTRUCTION CONTRACT AS NECESSARY UP TO THE AMOUNT OF \$5,000.
- C. AUTHORIZE BUDGET ADJUSTMENT OF \$16,937 FROM STORM DRAIN FUND (461) TO JOHNSON AVENUE STORM DRAIN IMPROVEMENT PROJECT 0727.
- D. AUTHORIZE EXPENDITURES UP TO \$91,937 FOR JOHNSON AVENUE STORM DRAIN IMPROVEMENT PROJECT 0727 (INCLUDING \$6,865 FOR EXPENDITURES TO DATE).

RECOMMENDATION:

1. Adopt resolution (Attachment 1) declaring Casey Construction Company to be the lowest responsible bidder on the project and award a construction contract (Exhibit A) in the amount of \$80,072.
2. Authorize staff to execute future change orders to the construction contract as necessary up to the amount of \$5,000.
3. Authorize budget adjustment of \$16,937 from Storm Drain Fund (461) to Johnson Avenue Storm Drain Improvement Project 0727.
4. Authorize expenditures up to \$91,937 for Johnson Avenue Storm Drain Improvement Project 0727 (including \$6,865 for expenditures to date).

PREPARED BY: KEVIN ROHANI
Interim Director of Parks and Public Works

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Reviewed by: PS Assistant Town Manager OR Town Attorney
____ Clerk Administrator SE Finance ____ Community Development

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SUBJECT: PPW JOB NO. 07-03 – JOHNSON AVENUE STORM DRAIN
IMPROVEMENTS PROJECT 0727

MAY 15, 2007

BACKGROUND:

This project will relocate a storm drain that is located on private property so that the property owner can expand their residence. This is a public storm drain that was installed decades ago without any easements on private property. The property owner is granting the Town a storm drain easement which will make it possible for Town crews to service this storm drain system. This project is consistent with the Town's goals to improve public health and safety.

DISCUSSION:

On April 4, 2007, Council approved plans and specifications for the Johnson Avenue Storm Drain Improvement Project and authorized staff to advertise the project for bids.

On May 2, 2007, one (1) bid was received for this project. See (Attachment 2) Bid Summary. Staff has checked the bid received and has determined that Casey Construction Company is a responsible entity and that its bid is responsive to the Town's formal bid process.

This bid is 6% above the engineer's estimate and is reflective of the current bidding environment in which few contractors pursue small construction jobs, such as this project. Contractors are generally more interested in larger and longer-term projects. Staff believes this bid is reasonable given the construction environment, and will not pursue re-bidding the project as it will not guarantee a lower bid.

It is recommended that the Council adopt the attached Resolution that would declare Casey Construction Company to be the lowest responsible bidder on the project and award a construction contract to this company in the amount of \$80,072. It is anticipated that construction will begin on this project in late June 2007.

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:

Funding for the Johnson Avenue Storm Drain Project is currently budgeted with \$75,000 from the Storm Drain One fund (461). Expenditures to date total \$6,865 for engineering evaluation (\$6,650) and printing charges (\$215).

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An adjustment of \$16,937 will provide the project necessary funding, including a \$5,000 contingency above the contract amount, revising the total project budget to \$91,937. The current balance in Storm Drain One fund (461) is \$141,500, sufficient to meet this budget adjustment. Any remaining unspent funds will revert back to the Storm Drain One fund (461). The following chart describes this project's budget:

JOHNSON AVENUE STORM DRAIN IMPROVEMENTS PROJECT ENGINEERING JOB #0703							
<u>FY 2006/07 Fiscal Impact</u>	<u>Approved Budget</u>	<u>Budget Adjustments</u>	<u>Revised Budget</u>	<u>Encumbered to Date</u>	<u>Remaining Budget</u>	<u>Contract Amount</u>	<u>Remaining Balance</u>
Johnson Avenue Project (0727)	75,000		75,000	6,865	68,135	68,135	-
Transfer In From Storm Basin Fund (0461)	-	16,937	16,937	-	16,937	11,937	5,000
TOTALS	-	16,937	91,937	6,865	85,072	80,072	5,000
TOTAL EXPENDITURES BY CATEGORY:							
staffing							
materials				215			
engineering evaluation & design				6,650			
Construction						80,072	
Construction Contingency						-	5,000
TOTALS				6,865		80,072	5,000

Attachments:

1. Resolution declaring Casey Construction Company as the lowest responsible bidder (with Exhibit A) Agreement
2. Bid Summary

RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AWARDING A CONSTRUCTION CONTRACT TO
CASEY CONSTRUCTION COMPANY
FOR PPW JOB NO. 07-03
JOHNSON AVENUE STORM DRAIN IMPROVEMENT PROJECT 0727

ATTACHMENT 1

CONTRACT

THIS AGREEMENT is between the **Town of Los Gatos** (hereinafter referred to as "Owner") and **Casey Construction Company** (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. 07-03 Johnson Avenue Storm Drain Improvement Project** 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 (eighty thousand seventy two dollars) **(\$80,072)**, 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 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 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:
Casey Construction Company

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:

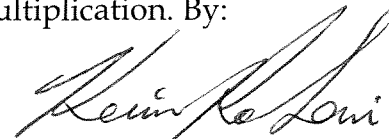
Jackie Rose, Clerk Administrator

(Contractor's License Number)

*Town of Los Gatos Parks and Public Works Department
Johnson Avenue Storm Drain Improvements Project #07-03
Certified Bid Tabulation Bid opening: May 2, 2007 at 10:00 A.M. at the Civic Center*

				Engineers Estimate		Casey Construction 620 Handley Trail Emerald Hills, CA 94062	
Item No.	Description	Quantity	Unit	Unit Price	Item Cost	Unit Price	Item Cost
1	Clearing & Grubbinb	1	LS	10,300.00	10,300.00	11,200.00	11,200.00
2	R&R Sidewalk	200	SF	25.00	5,000.00	25.00	5,000.00
3	Plug & Abandon (Slurry Seal) Existing 27" SD	1	LS	8,000.00	8,000.00	9,740.00	9,740.00
4	Install 24" HDPE	119	LF	300.00	35,700.00	308.00	36,652.00
5	Install 27" RCP	30	LF	200.00	6,000.00	196.00	5,880.00
6	Install SD Manhole	2	EA	5,000.00	10,000.00	5,800.00	11,600.00
				\$75,000.00		\$80,072.00	

This certifies that all bids were received and opened on May 2, 2007, and that this is a copy of the bid tabulation with bids corrected for errors in addition & multiplication. By:



ATTACHMENT 2