TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS

DATE: JUNE 7, 2004 CMR:281:04

SUBJECT: APPROVAL OF A BUDGET AMENDMENT ORDINANCE IN THE AMOUNT OF $57,036 TO ACCEPT AND EXPEND STATE GRANT FUNDING IN THE AMOUNT OF $45,628 AND FUNDING FROM LEAL AND STANFORD JUNIOR UNIVERSITY IN THE AMOUNT OF $11,408; APPROVAL OF AWARD OF CONTRACT TO POWER ENGINEERING CONTRACTORS IN THE AMOUNT OF $83,405 FOR THE SAND HILL ROAD BRIDGE SEISMIC RETROFIT (PE-00018)

RECOMMENDATION

Staff recommends that Council:

1) Approve an Agreement with Leland Stanford Junior University in the amount of $11,408 to fund excess costs for the Sand Hill Road Bridge Seismic Retrofit Project (Attachment A);

2) Approve a Budget Amendment Ordinance (BAO) in the amount of $57,036 to accept and expend State grant monies of $45,628 and Leland Stanford Junior University Excess Cost Agreement Funds of $11,408 (Attachment B) for the Sand Hill Road Bridge Seismic Retrofit Project, Capital Improvement Program Project PE-00018;

3) Approve and authorize the Mayor to execute the attached contract with the second low bidder, Power Engineering in the amount of $83,405 for construction of the Sand Hill Road Bridge seismic retrofit (Attachment C);

4) Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Power Engineering Contractors for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $8,340.
BACKGROUND
After the 1989 Loma Prieta Earthquake, the State of California Department of Transportation (Caltrans) established a Seismic Retrofit Program for bridge structures throughout the state. As a result, Caltrans has prepared plans and specifications and provided funding for the seismic upgrade of the Sand Hill Road Bridge at San Francisquito Creek.

DISCUSSION
This project will update the seismic strength of the Sand Hill Road Bridge by adding reinforced steel and concrete to the underside of the existing bridge. Stanford University, as part of an agreement with the City of Menlo Park, will be constructing a new bridge that will be located adjacent to the existing bridge. Construction on Stanford’s new bridge as well as the City’s seismic retrofit of the existing bridge is anticipated to begin at approximately the same time. In order to minimize the traffic impact in the area, staff is working with the Stanford Management Group to coordinate the seismic work with the construction of the new bridge. The contractor will not be permitted to close any lane between 7 a.m. to 9 a.m. and 4 p.m. to 6 p.m. At other times, the contractor may be allowed to close a lane for short periods of time in order to move equipment or materials.

Summary of Bid Process

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<th>Summary of Bid Process</th>
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<tr>
<td>Bid Name</td>
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<td>Proposed Length of Project</td>
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<td>Number of Bids Mailed to Contractors</td>
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<td>Number of Bids Mailed to Builder’s Exchanges</td>
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<td>Pre-Bid Meeting?</td>
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<td>Number of Bids Received:</td>
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A notice inviting formal bids for the Sand Hill Road seismic retrofit project was posted at City Hall on December 18, 2003 and sent to 6 builders' exchanges and 29 general contractors. Staff was required by a prior agreement with Caltrans to advertise the project for construction bids prior to December 31, 2003. Fish and Game requirements will not allow construction to begin prior to June 15, 2004. As a result the contractors were given an extended bidding period of 75 calendar days. Bids were received from 11 qualified contractors on March 2, 2004, as listed on the attached bid summary (Attachment D). Bids ranged from a low $69,632 to a high bid of $148,736.
Staff has reviewed all bids submitted and found the bid of $69,632 from Conley Construction to be non-responsive; therefore Conley’s bid must be rejected. Conley Construction failed to meet the minimum 3 percent Disadvantaged Business Enterprise (DBE) participation goal despite the long bid period of 75 days and was unable to complete the “Good Faith Efforts” form explaining why it was unable to do so. Staff therefore recommends that the next lowest bid of $83,405 submitted by Power Engineering Contractors be accepted and that Power Engineering Contractors be declared the lowest responsible bidder. The bid is 15 percent above the engineer’s estimate of $72,640. The change order amount of $8,340 (which equals 10 percent of the total contract) is requested to resolve unforeseen problems and/or conflicts that may arise during the construction period.

Staff checked references supplied by Power Engineering Contractors for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found it has an active license on file.

**RESOURCE IMPACT**

The attached BAO (Attachment B) requests an increase in revenue and expenditures of $57,036 for CIP Project PE-00018. All costs for this project are eligible for reimbursement. No future year General Fund ongoing costs are anticipated as a result of this BAO. Staff will provide construction oversight for the project so there will be no reimbursements to the State for administration costs.

Caltrans had committed funding in the amount of $85,494 for the project (CMR:286:03). To date $85,494 has been budgeted in CIP Project PE-00018: $60,000 in FY 1999-2000, $23,000 in FY 2001-2002 and an additional $2,494 in FY 2002-2003. Some of these monies have already been used for the environmental analysis, permits from Fish and Game, and the Santa Clara Valley Water District; and encumbered for upcoming construction administration services from the engineering design firm, Mark Thomas Company.

The remaining funds were not sufficient to award the construction contract and staff requested additional funding from Caltrans to cover the shortfall. Due to the State budget crisis, Caltrans provided all but $11,408 of the required funding, which it is requiring as the local funding match. Stanford has agreed to pay the local funding match. With the City leading the retrofit effort for the existing bridge, paid primarily with State and Federal funds, Stanford will save the cost of having to fully retrofit the bridge as a development condition. Stanford’s contribution of $11,408 (Attachment A) will provide the remaining funding to award the contract to Power Engineering.
**Funding Summary:**

**Previous Funding Obligation**
- Engineering: $9,744
- Construction: $64,750
- Construction Admin: $11,000

Subtotal Previous Funding Obligation: $85,494

**New Funding Obligation**
- Engineering: $8,800
- Construction: $22,428
- Construction Admin: $14,400

Subtotal New Funding Obligation: $45,628

**Total Reimbursed by Caltrans:**
$131,122

**Local Match (Stanford):**
$11,408

**Project Total:**
$142,530

**Timeline**

Work on this project will commence after June 30, 2004 and should be completed before mid-October 2004.

**Environmental Review**

The City’s Director of Planning and Community Environment certified a Mitigated Negative Declaration for the project on April 17, 2000.

**Attachments**

- Attachment A: Agreement to Fund Excess Costs with Stanford University
- Attachment B: Budget Amendment Ordinance
- Attachment C: Contract
- Attachment D: Bid Summary

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