TO:      HONORABLE CITY COUNCIL

FROM:    CITY MANAGER           DEPARTMENT: COMMUNITY SERVICES

DATE:    JULY 12, 2004          CMR: 334:04

SUBJECT: ADOPTION OF A BUDGET AMENDMENT ORDINANCE (BAO) IN THE AMOUNT OF $37,000 TRANSFERRING FUNDING FROM THE PARK IMPACT FEE FUND INTO THE PALO ALTO SOFA PARK CAPITAL IMPROVEMENT PROJECT NUMBER PG-02018 AND APPROVAL OF A CONTRACT WITH LORAL LANDSCAPING INC. IN THE AMOUNT OF $234,052 FOR CONSTRUCTION OF HERITAGE (SOFA) PARK IMPROVEMENTS

RECOMMENDATION
Staff recommends that Council:
1. Adopt a Budget Amendment Ordinance (BAO) that would transfer $37,000 from the Park Impact Fee Fund into the Palo Alto Heritage (SOFA) Park CIP PG-02018.
2. Approve and authorize the Mayor to execute the attached contract with Loral Landscaping Inc. in the amount of $234,052 for construction services to implement the Heritage (SOFA) Park Improvements.
3. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Loral Landscaping Inc. for related, additional but unforeseen work that may be required during the project, the total value of which shall not exceed $23,000.

DISCUSSION
Project Description
The work to be performed under this contract consists of landscape improvements at Heritage (SOFA) Park site, which is bordered by Homer Avenue, Waverley Street and Bryant Street. The 2.01-acre property is the former location of the Palo Alto Medical Foundation Clinic, and was formally dedicated as parkland by Council in February 2004. Plans, specifications and contract documents for the proposed project were generated prior to Council approval of a permanent name for the park, however a sign identifying it by its new name will be installed as part of the basic tier of improvements.
Neither cosmetic nor structural improvements to the Roth Building are included in the scope of this project, but protective measures to ensure that this historic building is not detrimentally affected by construction activity are included in the contract specifications. The landscaping immediately adjacent to the Roth Building will also remain and be protected in place during construction.

The proposed project will include demolition and removal of approximately 40,000 square feet of asphalt parking lot surface; earthwork and grading activity to amend and redistribute approximately 2,000 cubic yards of soil currently stockpiled on the site; installation of pathways; an automatic irrigation system; and 54,000 square feet of turf.

The proposed project is only intended to provide necessary interim physical improvements until a full amenity park can be funded. If the proposed project is not implemented as described in the plans and specifications the site would remain vacant and unimproved until such time as funding becomes available to facilitate design and construction of the full amenity park. Commitments to ongoing projects and lack of specific equipment and expertise required to execute certain aspects of the proposed project preclude using City staff to perform the work.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>SOFA Park Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>90 days</td>
</tr>
<tr>
<td>No. of Bids Mailed to Contractors</td>
<td>9</td>
</tr>
<tr>
<td>No. of Bids Mailed to Builder's Exchanges</td>
<td>4</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid</td>
<td>2</td>
</tr>
<tr>
<td>Number of Bids Received</td>
<td>2</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $234,052 to a high of $269,050</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment B.

The proposed project was advertised on May 18, 2004 and bids were opened on June 9, 2004. Staff has reviewed all bids submitted and recommends that the bid of $234,052 submitted by Loral Landscaping Inc. be accepted and that Loral Landscaping Inc. be declared the lowest responsible bidder. The bid is 11 percent above the engineer's estimate of $210,000. Contractors not submitting bids indicated that scheduling conflicts precluded their participation in this project.

Staff checked references supplied by the contractor for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.
**RESOURCE IMPACT**
The attached BAO requests an increase in revenue and expenditure of $37,000 for the Palo Alto Heritage (SOFA) Park CIP Project PG-02018. Currently, there is $220,065 of available funds in this CIP. The BAO will appropriate the additional funds of $37,000 from the Park Impact Fee Fund to cover the Loral Landscape Inc. contract. No future year General Fund ongoing costs are anticipated as a result of this BAO.

**POLICY IMPLICATIONS**
The proposed Heritage (SOFA) Park Improvements project is consistent with existing City policy, including the South of Forest Avenue Coordinated Area Plan.

**ENVIRONMENTAL REVIEW**
This project is exempt from provisions of the California Environmental Quality Act (CEQA).

**ATTACHMENTS**
Attachment A: Budget Amendment Ordinance  
Attachment B: Bid Summary  
Attachment C: Contract  
Attachment D: Certificate of Non-Discrimination

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DEPARTMENT HEAD: ________________________________________________
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