TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PUBLIC WORKS

DATE: JUNE 20, 2005

CMR:284:05

SUBJECT: APPROVAL OF A CONTRACT WITH SPENCON CONSTRUCTION, INC. IN THE AMOUNT OF $809,789 FOR FY 2005-06 SIDEWALK REPLACEMENT PHASE 1 PROJECT - CAPITAL IMPROVEMENT PROGRAM, SIDEWALK REPLACEMENT PROJECT PO-89003

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract with Spencon Construction, Inc. in the amount of $809,789 for FY 2005-06 Sidewalk Replacement Phase 1 Project - Capital Improvement Program, Sidewalk Replacement Project PO-89003 (Attachment A).

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Spencon Construction, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $81,000.

DISCUSSION
Project Description
The work to be performed under the contract is for sidewalk repair and replacement; wheelchair ramp construction; and curb, gutter, and catch basin replacement in the project areas marked as Blocks 2 through 11 on the Location Map (Attachment B).

Bid Process
On April 26, 2005, a notice inviting formal bids for the FY 2004-05 Sidewalk Replacement Phase 1 Project was posted at City Hall and sent to eight builders' exchanges and fifteen contractors. The bidding period was 28 days because the scope of work is routine, subcontractors are generally not required, and the City has bid numerous projects of this type over the past ten years. Bids were received from five qualified contractors on May 24, 2005, as listed on the attached bid summary (Attachment C).

Bids ranged from a high of $957,875 to a low bid of $809,789. Contractors not responding indicated that they did not submit a bid because they were too busy or were not interested in the type of work offered. Staff has reviewed all bids submitted and recommends that the bid of $809,789 submitted by Spencon Construction, Inc. be accepted and that Spencon Construction, Inc. be declared the lowest responsible bidder. The bid is 13 percent below the engineer's estimate of $930,068. The change order amount of $81,000, which equals 10 percent of the total
contract, is requested for related, additional but unforeseen work which may develop during the project. The Certification of Nondiscrimination is Attachment D.

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**
Funds for this project are included in the Fiscal Year 2005-06 Capital Improvement Program, Sidewalk Replacement Project, PO-89003.

**ENVIRONMENTAL REVIEW**
This project is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301c of the CEQA guidelines as repair, maintenance and/or minor alteration of existing facilities and no further environmental review is necessary.

**ATTACHMENTS**
Attachment A: Contract
Attachment B: Location Map
Attachment C Bid Summary
Attachment D: Certification of Nondiscrimination

**PREPARED BY:**

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**CITY MANAGER APPROVAL:**

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