TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: OCTOBER 6, 2008 CMR:389:08
REPORT TYPE: CONSENT

SUBJECT: Adoption of a Budget Amendment Ordinance to Transfer Appropriation of $58,920 from Capital Improvement Program (CIP) Project PE-06006, Alma Street Landscaping Improvements to CIP Project PE-06005, University Avenue Gateway Landscaping Improvements

RECOMMENDATION
Staff recommends that Council adopt the attached Budget Amendment Ordinance (BAO) transferring the appropriation of funds from PE-06006, Alma Street Landscaping Improvements, to PE-06005, University Avenue Landscaping Improvements, in the amount of $58,920 (Attachment A).

BACKGROUND
The Capital Improvement Program (CIP) Projects PE-06005, University Avenue Landscaping Improvements, and PE-06006, Alma Street Landscaping Improvements, address the deteriorating conditions of the medians and sidewalk planting areas on University Avenue between El Camino Real and High Street, and on Alma Street between San Antonio Road and Ely Place. A second phase of the Alma Street Landscape Improvements is proposed to be funded in the amount of $156,000 in FY 2009-10. This funding would to cover the area along Alma Street between Ely Place and East Meadow Drive. A BAO is needed, however, to properly account for the consolidation of the construction contract.

In July 2007, the City entered into consultant contracts with Royston Hanamoto Alley and Abey and ISC Group, Inc. to prepare the design documents for landscape improvements to both project sites with the intention of combining the projects under a single construction contract. Staff coordinated with the Downtown Business Association to incorporate their needs into the proposed design for the University Avenue project, and a public meeting was held with the Ferne Avenue Homeowners Association on October 1, 2007, to present conceptual plans and solicit input for the Alma Street project. The plans for each site incorporate sustainable "green" elements such as water conserving landscape materials that also will deter storm water run-off, and solar powered irrigation controllers.
DISCUSSION

Project Description

The scope of the projects consists of replacement of median and sidewalk planter landscaping and irrigation at two locations: the median and planting areas on each side of the University Avenue underpass between El Camino Real and High Street, and along Alma Street in the sidewalk planter strip between Ferne Avenue and San Antonio Road.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>University Avenue and Alma Street Landscape Improvements Project – Capital Improvement Program Project PE-06005 and PE-06006/IFB #127707</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>90 days</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>14</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>11</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>Yes – August 14, 2008</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>7</td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>8*</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $265,047 to a high of $429,000</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment C.

The bid of $174,786 submitted by Planned Environments, Inc. will be accepted and Planned Environments, Inc. be declared the lowest responsible bidder. The bid is 10% percent below the staff engineer's estimate of $195,259 for the combined projects. Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found no significant complaints.

As this project is under the $250,000 threshold requiring City Council approval, the construction contract will be awarded by the City Manager or his designee as provided in the City's Purchasing Ordinance.

RESOURCE IMPACT

Funds for this project are available in the Capital Improvement Program Project PE-06005, University Avenue Landscape Improvements Project, and in the Capital Improvement Program Project PE-06006, Alma Street Landscape Improvements Project. As previously noted, they were combined and advertised as a single construction project.

The bid for the University Avenue Project is higher by $58,920 than the amount available in PE-06006 and an additional appropriation is required to provide the necessary funds. The bid item for the current phase for Alma Street is $61,672 under the amount available in PE-06005. The excess amount ($58,920) will be transferred from PE-06005 to PE-06006 to cover the shortage in
funding. A Budget Amendment Ordinance approved by the City Council is necessary to authorize the transfer of funding between these two projects.

Installation of the new plant material and irrigation systems where there were none previously will result in an increase in annual maintenance costs of approximately $3,500. This portion of University Avenue is the primary gateway into downtown Palo Alto and implementation of the proposed improvements will create an aesthetic focal point for the business district. Staff recommends that $58,920 of the funds be transferred from PE-06006, Alma Landscape Improvements to and appropriated in to PE-06005, University Landscape Improvements Project. PE-06006, Alma Landscape Improvements Project is an active project designated to the improvements landscape along Alma Street. There are future phases of this project planned and PE-06006 will be funded in future years as revenues allow. The increase will be requested as part of the City’s FY 2009-10 capital budget process.

POLICY IMPLICATIONS
The City is responsible for maintaining street trees and landscaped areas in public spaces in a fashion consistent with the overall objectives of the community. The project is in conformance with City of Palo Alto’s Comprehensive Plan.

ENVIRONMENTAL REVIEW
This project is exempt from the provisions of the California Environmental Quality Act (CEQA), per Section 15304.

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

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