

MEMORANDUM

TO: CITY COUNCIL

FROM: BILL ROBESON, PUBLIC WORKS DIRECTOR

BY: JILL MCPEEK, CAPITAL IMPROVEMENT PROJECT MANAGER

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO SANSONE COMPANY INC. FOR CONSTRUCTION OF THE SANTOS FIELD BARRIER REMOVAL PROJECT, PW 2017-01

DATE: NOVEMBER 28, 2017

SUMMARY OF ACTION:

Take action to award a construction contract to improve accessibility for disabled users at Santos Field in the Soto Sports Complex. It is anticipated that work will be accomplished between January and February of 2018.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The amended Capital Improvement Program Budget includes \$62,031 of 2017 Community Development Block Grant (CDBG) funds for the project. The total cost for the proposed project is estimated at \$76,600. Staff is recommending that funds be reallocated from a previously approved capital improvement project that is being deferred a year. It is estimated that approximately forty hours of staff time will be necessary to provide oversight during project construction.

RECOMMENDATION:

It is recommended the City Council:

1. Award a contract for the Santos Field Barrier Removal Project to Sansone Company Inc. in the amount of \$53,471;
2. Authorize the City Manager to approve change orders for 10% of the contract amount, \$5,347, for unanticipated costs during the construction phase of the project (total construction costs = \$53,471 + \$5,347 = \$58,818)
3. Reallocate \$14,569 of Local Sales Tax Funds from the Alpine Street Overlay Improvement project to cover the subject project expenses.

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BACKGROUND:

The City has established as a priority the systematic removal of American with Disabilities Act (ADA) barriers throughout the City. Until a long-term master plan to research and prioritize the construction of ADA improvements for the City's right-of-way and public facilities can be prepared, the use of CDBG funds has been approved for ADA improvements to access the ballfields and related recreational facilities due to the number of residents that frequent the Soto Sports Complex. This project will provide ADA accessible access from the Soto Sports Complex parking lot to the Santos Field first base bleachers.

The adopted Capital Improvement Program budget included \$73,559 of Local Use Sales Tax funds for the Alpine Street Overlay Improvement project. Subsequent to the adoption of the budget, it was determined that the Southern California Gas Company would be installing their pipeline safety enhancement project on Alpine Street, and pavement improvements on Alpine Street would be part of the project. Because the paving is to be accomplished by the Southern California Gas Company, it was recommended that the Local Use Sales Tax funds be used to correct a drainage issue on South Alpine Street at Eman Court. However, the drainage improvement cannot be accomplished before Southern California Gas Company initiates its work on South Alpine Street. Therefore, it is recommended that the drainage improvement project be deferred until next fiscal year and that the Local Use Sales Tax funds be reallocated to fully fund this Santos Field Barrier Removal Project.

ANALYSIS OF ISSUES:

On October 10, 2017, the Council approved the construction plans & specifications for the Santos Field Barrier Removal Project and authorized the advertisement for construction bids. The engineer's opinion of probable construction cost was \$35,000. On October 26, 2017, City of Arroyo Grande and San Luis Obispo County staff held a non-mandatory on-site pre-bid meeting to ensure that all potential bidders understood both the project and the requirements of the CDBG funding.

On November 7, 2017, three bids were received for the Santos Field Barrier Removal Project. The apparent low bid had an arithmetic discrepancy which resulted in it not being the low bid. The second low bid, submitted by Sansone Company Inc. in the amount of \$53,471, has been determined to be responsive and the bidder to be responsible. The engineer's opinion of probable construction cost is based on previous similar bids received. It is believed that the bids came in higher than anticipated due to higher than expected construction labor and material prices with the economy picking up significantly over the past couple of years. While higher than anticipated, the bid is a good and reasonable bid from a reputable company.

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Based on this bid, the total cost for the project is estimated at \$76,600 and is proposed to be funded as follows:

REVENUE	
Community Development Block Grant (CDBG)	\$ 62,031
Local Use Sales Tax	14,569
TOTAL REVENUE	\$ 76,600
EXPENDITURES	
Construction	\$ 53,471
Construction Contingencies (10%)	5,347
Construction Mgt, Inspection, Copies, NOE Filing	8,802
Materials Testing	2,500
Design	6,480
TOTAL EXPENDITURES	\$ 76,600

Staff is recommending that \$14,569 of Local Sales Tax Funds be reallocated from the deferred Alpine Street Overlay Improvement project to cover the subject project expenses. An alternative to fully fund this project would be to reallocate \$14,567 of CDBG funds from the City of Arroyo Grande and Woman’s Club Community Center Site Accessibility Improvements project. However, that could result in the award of just the base bid for that project as well as a remaining balance of 2016 CDBG funds. Another alternative would be to appropriate \$14,567 from General Fund unreserved balance. However, this is not being recommended due to the availability of project deferral and maintaining maximum flexibility for future unmet needs.

The County of San Luis Obispo’s Planning and Building Departments, as the lead agency in administering the Housing and Urban Development (HUD) federal funds, has stated that it supports staff’s recommendations for the follow reasons:

- The time that County staff has spent up to this point in developing the Action Plans, environmental review, and agreements for the Santos Field and Woman’s Club Community Center Barrier Removal projects is in alignment with staff’s recommendations.
- The projects would be funded as identified and submitted in the 2016 and 2017 Action Plans to HUD.
- Staff’s recommendations would exhaust CDBG funds for both 2016 and 2017 which assists the Urban County in meeting our timeliness goal.
- It is common for a local agency to contribute local funds to make a CDBG project whole.

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The contract time is 45 working days with work expected to be accomplished between January and February of 2018 when the field is closed for turf renovation.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve staff's recommendations;
2. Do not approve staff's recommendations;
3. Approve the award of the construction contract and construction contingency but reallocate \$14,567 of CDBG funds from the City of Arroyo Grande and Woman's Club Community Center Site Accessibility Improvements project;
4. Approve the award of the construction contract and construction contingency but appropriate \$14,567 from the General Fund reserve;
5. Reject all bids and direct staff to modify the project and solicit new bids; or
6. Provide direction to staff.

ADVANTAGES:

The project will eliminate current barriers to ADA access for the Santos ball field.

DISADVANTAGES:

Funds used to construct this project will be diverted from another budgeted project.

ENVIRONMENTAL REVIEW:

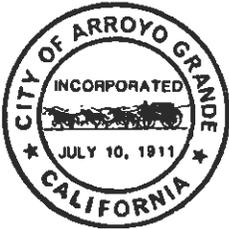
On October 10, 2017, the Council determined that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(c) covering minor alteration of existing pedestrian facilities, and the City Clerk has filed a Notice of Exemption.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Bid Opening Log Sheet



**CITY OF ARROYO GRANDE
BID OPENING LOG SHEET**

DEADLINE: TUESDAY, NOVEMBER 7, 2017 – 2:00 PM
PROJECT NAME: SANTOS FIELD BARRIER REMOVAL PROJECT
PROJECT NO.: PW-2017-01
ESTIMATED CONSTRUCTION COST: \$35,000
ADDENDUM: #1

<u>SUBMITTED BY:</u>	<u>TOTAL</u>
1. SW Construction Bakersfield, CA 93313	\$48,346.00
2. Sansone Company Inc. San Luis Obispo, CA 93406	\$53,471.00
3. Diani Building Corporation Santa Maria, CA 93458	\$55,776.00

Glenda Boner

Glenda Boner, Administrative Secretary

C: Director of Public Works
 Capital Improvement Project Manager
 City Manager
 City Website

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