



COUNCIL REPORT

DATE: May 23, 2023

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Colony Street Connection to Permanente Creek Trail, Project 18-48—Increase Project Budget and Award Construction Contract**

RECOMMENDATION

1. Acting in its capacity as Board of Directors of the Shoreline Regional Park Community, transfer and appropriate \$250,000 from the Shoreline Regional Park Community Fund to Colony Street Connection to Permanente Creek Trail, Project 18-48.
2. Transfer and appropriate \$250,000 from the Park Land Dedication Fund to Colony Street Connection to Permanente Creek Trail, Project 18-48. (Five votes required)
3. Award the construction contract for the Colony Street Connection to Permanente Creek Trail, Project 18-48, to Robert A. Bothman Construction for \$1,028,000, including a \$100,000 construction contingency.

BACKGROUND

The Permanente Creek Trail runs from the north side of Shoreline at Mountain View (Shoreline Regional Park) to West Middlefield Road. The trail is one of the key north/south bicycle and pedestrian routes in the City directly connecting into the North Bayshore Area. Predominantly due to the overcrossing of U.S. 101, there are no access points onto the trail between Old Middlefield Way south of U.S. 101 and Charleston Road north of U.S. 101. Additionally, access to the trail from Old Middlefield Way is only available on the north side and is not ideal for novice bicyclists due to high vehicle volumes and speeds and the presence of on-street parking.

This project will enhance the existing trail by adding a residential neighborhood connection at the eastern terminus of Colony Street (see Figure 1). Providing this new trail connection is consistent with the 2021 AccessMV, 2015 Bicycle Transportation Plan Update, 2014 Pedestrian Master Plan, and the City Council’s Mobility and Connectivity Strategic Priority.



Figure 1: Project Location Map

On [August 24, 2021](#), Council approved plans and specifications for the project and authorized the City Manager or designee to award a construction contract to the lowest responsible bidder if the bid is within the project budget. In summer 2021, staff expected to receive a construction permit extension from the State of California Department of Fish and Wildlife (CDFW) since the project is within a creek area and is required to comply with CDFW regulations. The extension was not granted, and the City was required to resubmit a permit request. The permit approval was received on April 27, 2022, but it limited the construction period to be between April and October. To ensure sufficient time for construction of the project within the date limitations, staff deferred advertising the project for bids until early 2023.

ANALYSIS

The project was advertised on February 28, 2023, and one bid was received on March 30, 2023 (see Table 1). The bid received from Robert A. Bothman Construction is in the amount of \$993,000, including a construction contingency of \$65,000.

Table 1: Bid Results

Rank	Contractor	TOTAL BID	% above/ (below)
	Engineer’s Estimate	\$706,783	N/A
1	Robert A. Bothman Construction	\$993,000	40%

Evaluation of Bids

The bid submitted is \$286,217 above the Engineer’s Estimate. Staff reviewed the bid proposal against the Engineer’s Estimate to compare increases in costs or trades. Cost increases were distributed across several bid items, including site preparation and paving, indicative of the regional and national increases seen in inflation and material costs. The largest increases in bid items are the placement of the bridge abutments and the prefabricated steel bridge, an increase of 135% and 150% above the Engineer’s Estimate, respectively.

Award Options

Should Council choose to move the project forward, the options are to reject all bids and rebid the project, reject all bids and rebid the project with a reduced scope, or award the contract to the lowest responsible bidder. Staff recommends awarding the construction contract and not rebidding the project for the following reasons:

- Rebidding the project may result in higher bids due to continued material and labor price increases from inflation and supply chain disruptions;
- There are limited options to reduce scope on this project; therefore, redesign is unlikely to significantly lower bid costs; and
- Redesigning and/or rebidding the project would delay the project for at least another year, especially with the restricted construction window for working in Permanente Creek, resulting in additional costs.

As mentioned above, Robert A. Bothman Construction’s bid of \$993,000 includes a construction contingency of \$65,000. Staff recommends adding \$35,000 to the construction contingency to provide a contingency near 10% of the construction cost and awarding the contract to Robert A. Bothman Construction for \$1,028,000, which includes a construction contingency of \$100,000.

FISCAL IMPACT

An increase in appropriations of \$500,000 is being requested. Colony Street Connection to Permanente Creek Trail, Project 18-48, is funded with \$578,000 from the CIP Reserve Fund and \$578,000 from the Shoreline Regional Park Community Fund, for a total project budget of \$1,156,000.

The estimated total project cost based on the recommended bid award is as follows:

Construction (includes contingency)	\$ 1,028,000
Design Services	250,000
City Project Management	150,000
Construction Inspection and Testing	75,000
Project Contingency	17,000
Miscellaneous	<u>35,000</u>
 Subtotal	 \$1,555,000
 City Administration	 <u>101,000</u>
 <u>TOTAL PROJECT COST ESTIMATE</u>	 <u>\$1,656,000</u>
 CURRENT PROJECT BUDGET	 \$1,156,000
 SHORTFALL/ADDITIONAL APPROPRIATION	 500,000
 RECOMMENDED NEW PROJECT BUDGET	 \$1,656,000

The project shortfall is attributed to higher labor and material costs associated with the bridge installation. Staff recommends continuing the 50/50 funding split of the project’s funding sources by transferring and appropriating \$250,000 from the Shoreline Regional Park Community Fund and \$250,000 from the Park Land Dedication Fund, providing a total project budget of \$1,656,000. The trail is a recreational facility, making it eligible for Park Land Dedication Funds, and the Permanente Creek Trail increases bicycle and pedestrian access into the North Bayshore Area, making it eligible for partial funding from the Shoreline Regional Park Community.

The project is located within the Rengstorff Park and Open Space area; therefore, it is recommended that the Park Land Dedication Funds come from park in-lieu fees paid for

developments within this park and open space area (see Attachment 1). These fees were received within the last five years. There is a sufficient balance in the Park Land Dedication Fund for the Rengstorff Park and Open Space area to fund the \$250,000 required.

ALTERNATIVES

1. Direct staff to reject all bids and rebid the project.
2. Direct staff to reject all bids, reduce the scope, and rebid the project.
3. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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Attachment: 1. Park Land Dedication Fund Project Commitment

cc: PWD, APWD—Arango, SMA—Goedicke, PCE—Gonzales, SCE—Houghton