



DATE: June 27, 2017

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Community Center Remodel, Project 17-32 – Award the First Phase Construction Contract**

RECOMMENDATION

Award the construction contract for the Mountain View Community Center Remodel First Phase, Project 17-32, to O’Grady Paving, Inc., for \$1,372,820, and approve an additional contingency amount of \$44,000.

BACKGROUND

In March 2017, City Council approved the plans and specifications for the two phases of the Community Center Remodel Project. The first phase includes construction of a new traffic signal at Rengstorff Avenue at Stanford Avenue and various utilities to support all of the facilities in Rengstorff Park. The second phase includes construction of the Community Center remodel and expansion.

On April 27, 2017, two bids were received for the first phase. The apparent low bidder failed to submit qualifying experience and was therefore deemed nonresponsive. The remaining responsive bid of \$1,720,684 was approximately 80 percent above the Engineer’s Estimate. With a clarified project title and allowing contractors the option to begin construction after school starts in late August, staff anticipated better results if the project was rebid. On May 23, 2017, Council rejected all bids and authorized staff to readvertise the project for bid.

ANALYSIS

On June 12, 2017, four bids were received for the readvertised project ranging from \$1,372,820 to \$1,684,436 as shown in Table 1. Although the bids are higher than the Engineer’s Estimate, the low bid price is approximately \$350,000 lower than the sole responsive bid from the first bidding process and staff believes the bids reflect the costs of construction in the current, busy construction market.

TABLE 1 - BID SUMMARY - FIRST PHASE CONSTRUCTION

Project 17-32

RANK	CONTRACTOR	Bid	% Over/ (Under) Estimate
	<i>Engineer's Estimate</i>	\$960,000	
1	O'Grady Paving, Inc., Mountain View, CA	\$1,372,820	43%
2	C2R Engineering, Inc., Mountain View, CA	\$1,378,285	44%
3	St. Francis Electric, LLC, San Leandro, CA	\$1,613,161	68%
4	Tennyson Electric, Inc., Livermore, CA	\$1,684,436	75%

Staff recommends Council approve the contract with O'Grady Paving, Inc., so the off-site work for the Community Center project may commence and be effectively coordinated with the on-site project construction.

The construction contingency included in the bid package is \$96,000. Staff usually recommends a 10 percent contingency for uncertainties associated with construction. With the bid price higher than the Engineer's Estimate, staff recommends an additional \$44,000, or a total of \$140,000 to provide a 10 percent (rounded) contingency.

If the recommended action is approved, construction is scheduled to start late August and be completed in spring 2018.

FISCAL IMPACT

Based on Council approval of the budget amendment for Community Center Remodel, Project 17-32, on June 20, 2017, there is sufficient funding in the project to award the construction contract to O'Grady Paving, Inc.

ALTERNATIVES

1. Reject bids and direct staff to readvertise the project.
2. Provide other direction.

PUBLIC NOTICING – Agenda posting.

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911-06-27-17CR-E-2

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