



# COUNCIL REPORT

**DATE:** June 28, 2022  
**CATEGORY:** Consent  
**DEPT.:** Public Works  
**TITLE:** **Narrow Streets Sign Installation,  
Project 21-59—Accept Construction**

## **RECOMMENDATION**

Accept Narrow Streets Sign Installation, Project 21-59, and authorize the final contract payment.

## **BACKGROUND AND ANALYSIS**

“Acceptance” of a construction contract is a legal event recognized by State law when the City verifies the contractor has satisfactorily completed a public project. Once accepted, the work on the public project is complete and other actions occur, such as final payment to the contractor and the release of bonds obtained by the contractor that ensure completion of the project. Following acceptance, the City becomes responsible for the maintenance of the public project.

On December 8, 2020, the City Council approved plans and specifications for Narrow Streets Sign Installation, Project 21-59, and authorized award of a construction contract if the low bid was within the project budget. The contract was awarded to PCI of Azusa, California, at the low-bid price of \$447,879, including a \$72,000 construction contingency. The project scope included the installation of 1,954 narrow streets signs at various locations throughout the City.

The final construction cost of \$235,310 is within the construction contract amount of \$447,879 and included a final quantity adjustment change order resulting in contract savings of \$212,569. Two elements contributed to the cost savings seen in the final contract amount:

- Nearly 350 fewer signs were installed than estimated—Staff used a conservative estimate of approximately 2,300 sign installations for this large-scale Citywide project for the construction bid documents. Staff conducted field reviews to identify sign locations on each street during the construction phase and designated 1,954 sign locations.
- Less costly installation locations—As part of the field reviews to identify sign locations, staff found that nearly all of the installations originally identified to be placed within sidewalks (more costly) could be installed within landscaped areas (less costly).

All contractor work has been completed in accordance with the approved plans and specifications.

### **FISCAL IMPACT**

Narrow Streets Sign Installation, Project 21-59, is funded with \$485,000 from the General Fund Transportation Reserve, \$485,000 from the Construction/Conveyance Tax Fund, and \$10,000 from the Shoreline Regional Park Community Fund for a total of \$980,000. The total project expenditure is estimated to be approximately \$590,000, including design, sign fabrication, project administration, construction management, inspection, and other costs. The remaining funds in Narrow Streets Sign Installation, Project 21-59, will be used for expenses related to sign installation on the 41 street segments listed in the Bike Lane and Narrow Streets resolutions adopted by Council on May 24, 2022. These additional signs will be installed by City staff. Any funds remaining once these additional signs are installed and Narrow Streets Sign Installation, Project 21-59, is closed will be returned to the General Fund Transportation Reserve, Construction/Conveyance Tax Fund, and Shoreline Regional Park Community Fund, in proportion to the project's use of these funding sources.

### **ALTERNATIVES**

Determine that the improvements have not been completed in conformance with City standards and decline to accept the improvements until they are completed to the satisfaction of the City Council.

**PUBLIC NOTICING**—Agenda posting.

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