



DATE: March 25, 2014

CATEGORY: Unfinished Business

DEPT.: Public Works

TITLE: **Shoreline Athletic Fields, Project 11-33 – Authorize and Appropriate Additional Funds, Award Construction Contract, and Related Actions**

RECOMMENDATION

1. Authorize a transfer and appropriate \$4,640,000 to the Shoreline Athletic Fields Construction, Project 11-33, for a total project budget of \$15,100,000 from the Shoreline Community Fund. (Five votes required)
2. Award a construction contract for the Shoreline Athletic Fields to the low bidder, O’Grady Paving, Inc., for the low bid price of \$11,170,947, which includes three additive alternates and a construction contingency of \$800,000.
3. Authorize the City Manager to amend the engineering services agreement with Tetra Tech BAS for the Shoreline Athletic Fields Construction, Project 11-33, in the amount of \$300,000 for a total not-to-exceed fee of \$1,132,300.
4. Authorize the City Manager to execute a construction inspection services contract with APC International for a not-to-exceed fee of \$180,000.

BACKGROUND

In 2004, the City completed an Athletic Field Inventory Study and identified the need for additional athletic fields to serve the City, including the need for multi-sized baseball diamonds, lighted soccer and football fields, and other fields to serve the growing adult sports groups. After considering several sites, in 2006, the City Council approved a new project to determine the feasibility of constructing athletic fields over a closed landfill cell in the southwest corner of Shoreline at Mountain View.

A 2008 feasibility study identified two major challenges with the Shoreline site: western burrowing owl habitat and landfill settlement. Since that time, burrowing owl habitat has been created in Shoreline by filling golf course ponds and landfill settlement at the proposed field location has been accelerated by placing a large soil stockpile on the site.

On October 11, 2011, Council approved the Initial Study/Mitigated Negative Declaration (IS/MND) and Conceptual Plan for the Shoreline Athletic Fields.

The Shoreline Athletic Fields project (see Exhibit 1) includes 5.3 acres of athletic fields, including one baseball and one softball diamond overlaid with soccer fields. Access to the athletic fields will be from Garcia Avenue where a concession/storage/restroom building, children's play area, and drop-off area are located. A parking lot consisting of 182 parking spaces (including new street parking along Garcia Avenue) is located south of the fields. An additional 0.5-acre, on-site burrowing owl mitigation area will be constructed at the southern end of the project site.

The lighted athletic fields will include synthetic turf to increase playable hours and to prevent irrigation over the landfill.



Exhibit 1 – Athletic Field Layout

At the September 24, 2013 Council meeting, staff presented the latest project estimate of \$13.3 million. This resulted in a shortfall of approximately \$2.8 million based on the approved project budget of \$10.46 million. Council indicated additional funding for the project was preferred over scope reduction; therefore, no changes were made to the project design documents.

Due to the complexity of constructing the fields over a closed landfill, staff recommended conducting a prequalification process to have only qualified contractors and subcontractors with experience in constructing athletic fields and refuse excavation be able to bid on the project. Council authorized staff to advertise the project for determination of responsible bidders who would be prequalified to bid on the project.

On January 28, 2014, the City Council approved the Responsible Bidder's List, approved plans and specifications, and authorized staff to advertise the project for monetary bids.

The bid documents included \$800,000 for construction contingency in the base bid and three additive alternates: batting cage, composite base material beneath synthetic turf, and six shade structures. Also in the bid documents were three delete alternates which include: parking along Garcia Avenue, base preparation of the children's play area (does not include the play equipment), and Type A synthetic turf (replace with Type B synthetic turf).

Engineering Services Agreement

In September 2009, Council authorized an engineering services agreement with Tetra Tech BAS for \$667,300 for the design of the Shoreline Athletic Fields. In May 2011, Council authorized an amendment to the engineering services agreement in the amount of \$63,500 for a preloading/surcharge phase to accelerate the differential settlement of the landfill. In April 2012, the third amendment to the agreement with Tetra Tech BAS was authorized in the amount of \$101,500 for additional geotechnical services to determine locations and depth of buried refuse. The current engineering services agreement totals \$832,300.

ANALYSIS

Bid Results

On March 11, 2014, the City received three bids from a pool of six approved bidders with base bids between \$10,730,947 and \$11,311,215. In compliance with the bid documents, the low bidder is determined by the lowest base bid without consideration

of prices on additive or deductive items. The lowest base bid of \$10,730,947 is approximately \$1,518,000 (16.5 percent) over the Engineer’s Estimate of \$9,213,000, including construction contingency.

In reviewing details of the 150 bid items in the project, the higher cost appears to be spread over the majority of the items and, therefore, attributed to a healthy construction market. A significant cost item, approximately \$900,000, is attributed to removing soil from the project site and transporting it to the 9-Acre Site, where it will be utilized to construct owl preservation habitat. Working on the soil hauling aspect of the athletic fields project will begin the construction process for the owl habitat, thereby saving time and costs in the future.

In September 2013, staff informed Council the bid climate was changing in favor of contractors but felt the construction estimate was adequate at that time. Because the low bid is 2 percent under the next bid and 6 percent under the high bid, staff believes the current prices to be competitive within the existing bid climate.

**BID SUMMARY
 SHORELINE ATHLETIC FIELDS, PROJECT 11-33**

Rank	Contractor	Total Bid
1	O’Grady Paving, Inc., of Mountain View	\$10,730,947
2	Robert A. Bothman, Inc., of San Jose	\$10,941,174
3	O.C. Jones & Sons, Inc., of Berkeley	\$11,311,215

Staff recommends awarding the construction contract to O’Grady Paving, Inc. (O’Grady). The bid documents included three additive alternates (batting cages, shade structures, and a better-quality base material for the athletic fields). O’Grady’s prices for the three additive items totaled \$440,000 and based on initial input from Council, staff recommends proceeding with including these amenities for a better-quality facility and to improve the user’s experience at the ballpark.

In addition, the project included three deductive alternates that could be removed from the project to achieve cost savings. They included: parking along Garcia Avenue,

preparing base for a new play area, and a lower-quality synthetic turf. O’Grady’s prices for the three deductive items totaled \$271,550 that could be removed from the construction cost. However, staff does not recommend proceeding with the deductive alternates as it would mean reduced parking, not having a play area which was a request from the community outreach process, and a lower-quality synthetic turf which may have maintenance issues in the future.

Staff recommends awarding the base bid and the three additive alternatives for the bid prices submitted by O’Grady Paving, Inc., as summarized below:

Base Bid Price	\$10,730,947
Additive Alternatives:	
Batting Cages	100,000
Composite Base Material	280,000
Six Shade Structures	<u>60,000</u>
Construction Contract Total	<u>\$11,170,947</u>

Amendment to Engineering Services Agreement

The current engineering services agreement for design services with Tetra Tech BAS of \$832,300 is nearly expended. Additional services are required of Tetra Tech BAS to provide engineering support, special inspections for the landfill gas system, and landfill cap during construction and postconstruction services beyond the capacity of existing staff. Upon completion of construction, the consultants will provide a report to the State certifying the clay cap beneath the athletic fields meets regulatory requirements. The recommended amendment for these services includes basic services of \$270,000 and reimbursable expenses of \$30,000 for a total of \$300,000.

Agreement for Construction Inspection Support

The Shoreline Athletic Fields project requires full-time construction inspection and construction management support to oversee the day-to-day construction activities beyond the capacity of existing staff. In August 2012, staff conducted a prequalification process and firms were placed on a prequalified eligibility list for construction inspection services. One of the firms is APC International, who assisted the City with the recent major sewer relining project at Shoreline and is familiar with the requirements of working in a landfill and the environmentally sensitive areas at Shoreline. A construction inspection services agreement with APC International is recommended in the amount of \$150,000 for basic services and \$15,000 for additional

services for a total not-to-exceed amount of \$165,000. Based on the complexity of the construction, staff believes the fees are reasonable.

FISCAL IMPACT

The Shoreline Athletic Fields, Project 11-33, is currently funded with \$900,000 from the Shoreline Community Fund, \$9,180,000 from Shoreline Community Fund bond proceeds, and \$380,000 of revenue paid by contractors delivering soil to the project site, for a total of \$10,460,000.

The following is the breakdown of the latest project cost estimate:

Construction Cost

Construction (Athletic Fields)	\$ 9,930,947
Construction Contingency (10%)	990,000
Play Equipment (separate bid)	165,000
Tree Removal (separate bid)	40,000
Add Alternates (batting cages, composite turf base, shade structures)	440,000
Monument Sign (separate bid)	35,000
Construction Completed (pond drainage and grading)	<u>538,000</u>
Subtotal Construction	12,138,947

Design and Inspection Cost

Project Management	650,000
Design Services	890,000
Design Consultant – Construction Support	300,000
City Inspection and Testing	100,000
Consultant Inspection	180,000
Utilities (PG&E)	50,000
Building Permit	<u>50,000</u>
Subtotal Design and Inspection Costs	2,220,000

City Administration at 5%	<u>718,000</u>
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TOTAL (rounded)	15,100,000
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Current Budget	<u>10,460,000</u>
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Current Shortfall	<u>\$ 4,640,000</u>
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The numbers above include additional budget to provide a 10 percent construction contingency as the current bid price only has an 8 percent contingency. The extra

contingency will not be awarded to the contractor, but staff will reserve in the project budget if funding is necessary to solve issues with potential unforeseen conditions. The City Administration charge has been reduced to 5.0 percent from the standard 6.5 percent. In consideration of the significant size of the project, staff feels this is sufficient to cover overhead costs (spanning the multiple years of this project).

Overall, the soft cost of this project is 20.5 percent of the total construction cost. This value is below the range for projects in this price category which normally would have soft costs between 25 percent and 33 percent. The lower soft costs are attributed to staff performing the project management and conducting as much of the work in-house as possible to reduce consultant costs. In acknowledgement of the project budget deficit, staff has been diligent and efficient in project expenditures.

Staff recommends that City Council authorize the transfer and appropriate an additional \$4,640,000 from the Shoreline Community Fund to increase the project budget from \$10,460,000 to \$15,100,000. The Shoreline Community Fund has sufficient funds for this request.

Project Schedule

If Council approves the recommended actions, construction could begin in June 2014 and be completed in summer 2015. A tree removal contractor has been procured. Upon Council approval of the construction of the project, tree removal activities along Garcia Avenue will begin.

CONCLUSION

If Council appropriates the additional funding and awards the construction contract at this time, the earthwork can begin during the dry summer months.

Staff will return in early 2015 with recommendations for naming the new facility and design of the monument sign in time for opening in summer 2015.

ALTERNATIVES

Alternatives to the staff recommendations include:

- Do not proceed with the project.

- Reject all bids and direct staff to rescope and rebid the project.
- Direct staff to not execute a construction inspection contract with APC International and to use existing in-house inspectors for the construction inspection. This will result in the delay of other capital improvement projects and may require hiring consultant inspectors for land development projects.
- Direct staff to not select the additive alternatives (batting cages, composite turf base, and shade structures). This results in saving \$440,000 and a construction contract in the amount of \$10,730,947.
- Direct staff to select the deductive alternatives (no new parking along Garcia Avenue, not prepare base for children's play area, and use of Type B synthetic turf). The play area would not be constructed and the area would become lawn. This results in saving \$271,550 from the deductive alternates and a construction contract in the amount of \$10,899,397. In addition, the play equipment would not be bid and installed, and there would be an additional savings of \$165,000 from the total project cost.
- Provide other direction.

PUBLIC NOTICING – Agenda posting.

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RSR-LA/JAS/5/CAM
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CSD, APWD – Hosfeldt, SLCM, APWD – Solomon, PCE – Macaraeg, AS/RM,
WPB, SS – Crane, SAA – Burgess, AAI – Grimm, File 11-33