



COUNCIL REPORT

DATE: September 24, 2024

CATEGORY: Consent

DEPT.: Public Works

TITLE: **California Street (West) Complete Street Improvements, Pilot, Project 21-40— Various Actions**

RECOMMENDATION

1. Transfer and appropriate \$1,265,000 from the 2016 Valley Transportation Authority Measure B Sales Tax–Local Streets and Roads Program Fund to California Street (West) Complete Street Improvements, Pilot, Project 21-40. (Five votes required)
2. Award the construction contract for California Street (West) Complete Street Improvements, Pilot, Project 21-40, to O’Grady Paving, Inc. for \$4,560,000, including a \$415,154 construction contingency.
3. Authorize the City Manager or designee to amend the professional services agreement with BKF Engineers, a California corporation (Entity No. 3696846), for California Street (West) Complete Street Improvements, Pilot, Project 21-40, to add \$30,000 for additional design services, for a total not-to-exceed amount of \$550,000.

BACKGROUND

On [May 28, 2024](#), the City Council approved the plans and specifications for California Street (West) Complete Street Improvements, Pilot, Project 21-40 (Project), and authorized staff to advertise the project for bids. The Project limits for the 1.2-mile corridor are from Showers Drive to Shoreline Boulevard (as shown in Figure 1) and will include the following elements:

- Resurfacing the entire corridor;
- Four-lane-to-three-lane road diet with two-way center left-turn lane (Showers Drive to Mariposa Avenue);
- Four-lane-to-two-lane road diet (Mariposa Avenue to Shoreline Boulevard);
- Parking-protected bike lanes;

- Green bike lane striping at conflicts points, such as driveways and bus stops;
- High-visibility crosswalks throughout the corridor;
- Protected intersection improvements;
- Three high-visibility midblock crosswalks with bulb-outs, refuge island, and enhanced lighting.
- Five different types of vertical elements to enhance visual cues of the bike lanes, including K-71 channelizers, floppy posts, rubber curbs, armadillos, and planter boxes. These will be installed in test segments along the 1.2-mile long corridor with the same elements grouped together. These vertical elements will provide both green street elements and physical barriers between the parking and bicycle lanes, preventing delivery vehicles from blocking the bike lane.
- Removal of approximately 63 of the 275 on-street parking spaces to provide sight line clearance at driveways and intersections with the implementation of the parking-protected bike lanes and protected intersections.

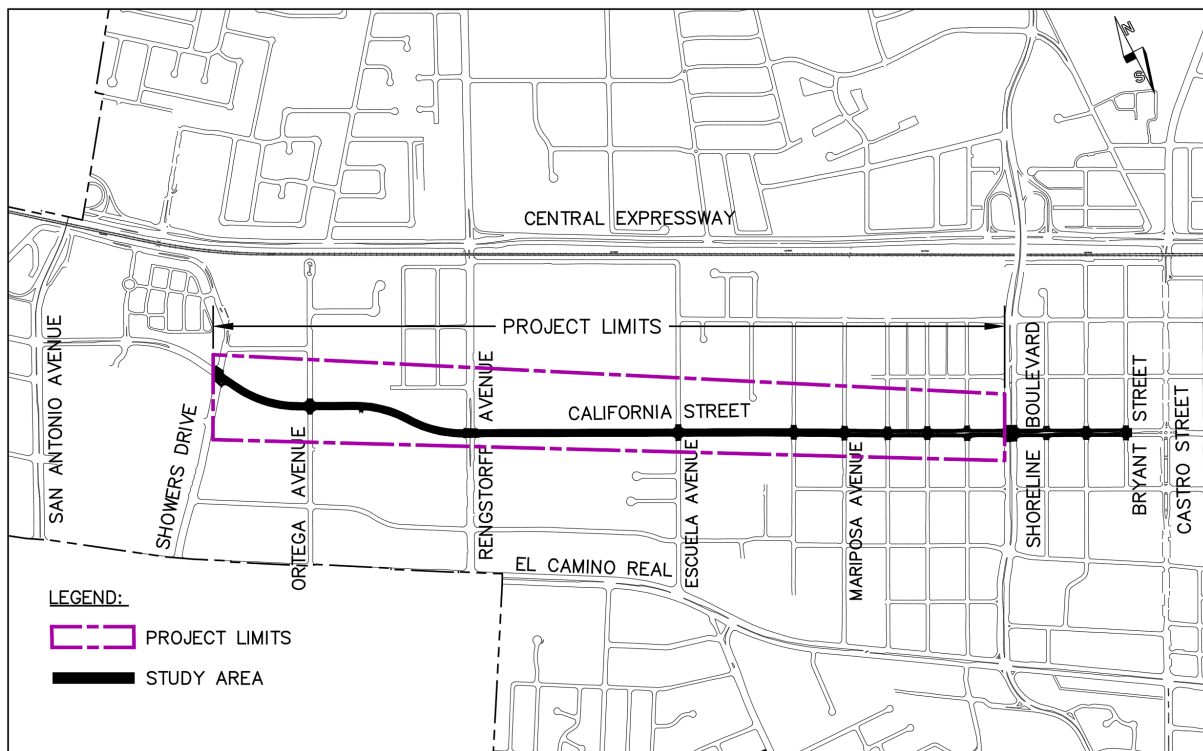


Figure 1: Project Location Map

ANALYSIS

Bid Results

The project was advertised for bids on July 18, 2024. The City received two bids on August 7, 2024, as shown in Table 1. The lowest bid was submitted by O’Grady Paving Inc. (O’Grady), for \$4,444,846, which included a \$300,000 construction contingency. The Engineer’s Estimate was \$3,400,000.

Table 1: Bid Results

Rank	Contractor	Bid total
1	O’Grady Paving, Inc.	\$4,444,846
2	Golden Bay Construction, Inc.	\$4,497,251

The lowest bid received is \$1,044,846 higher than the Engineer’s Estimate. An analysis of the bids indicated nearly all the increased costs were attributed to four bid items: mobilization (efforts needed to organize and transport resources to the site), traffic control, clearing, and asphalt base repairs. This was representative for both bids received. As has been seen with other projects, there continues to be increased costs associated with materials, labor, and transport. This can similarly be attributed to these bid items.

The O’Grady bid includes several subcontractors to assist them with various project elements, such as concrete, asphalt surfacing, striping, and landscaping. Each subcontractor has work and expenses related to their discipline for mobilization, labor, and furnishing materials to support the project elements. Additionally, due to this being an arterial corridor with high traffic volume and having minor and major intersections affected, traffic control was outlined in the construction documents dividing the work into smaller segments. This is intended to minimize disruption and impacts to the community while maintaining traffic flow in a safe manner. Identifying the specific traffic control segments may have resulted in higher bid costs as opposed to having the contractor identify their own traffic control sequencing.

The options for moving the Project forward are to award the contract to O’Grady as the lowest responsive, responsible bidder or reject the bids, revise the scope, and rebid the Project. Staff does not recommend rebidding the Project for the following reasons:

1. The Project implements several needed active transportation improvements identified as a priority by the City Council and community along this corridor.
2. Two bids were received, and the lowest bid was within 1.2% of the second bid, indicating consistency with labor, material, and market conditions for this work.
3. Rebidding the Project may result in higher bids due to continuous material and labor price increases, which are still impacting construction, and would delay the project.

Due to the uncertainties associated with rebidding, staff recommends awarding the construction contract to O’Grady. Staff is also requesting to increase the construction contingency by \$115,154 to provide a minimum 10% contingency for the Project, which is a standard practice for most construction projects. The recommended contract award is \$4,560,000, which includes a \$415,154 construction contingency.

If the recommended actions are approved, construction is expected to begin in December 2024 and expected to be completed in summer 2025.

Professional Services Amendment

Through further evaluation of the Project, staff determined additional services are needed by City consultant BKF Engineers to support the project through construction. This includes additional construction support services to provide additional field review, respond to information requests, and project management administration. The fee for these additional design services is \$30,000. This fee is consistent with such services, and staff considers the fee to be fair and reasonable for the scope of work required. Staff recommends amending the existing professional services agreement with BKF Engineers to add \$30,000 in additional services for a total not-to-exceed amount of \$550,000.

FISCAL IMPACT

California Street (West) Complete Street Improvements, Pilot, Project 21-40, is currently funded with \$2,870,000 from the CIP Reserve Fund, \$1,000,000 from the 2016 Valley Transportation Authority (VTA) Measure B Sales Tax—Local Streets and Roads Program Fund, and \$760,000 from the San Antonio Public Benefits Fund, for a total project budget of \$4,630,000.

The professional services agreement fee with the inclusion of the recommended amendment is \$462,600 for basic services and reimbursable expenses and a contingency of \$87,400 for additional services, for a total not-to-exceed amount of \$550,000.

The updated estimated cost for the Project based on the recommended contract amounts is as follows:

Construction	\$4,144,846
Construction Contingency	415,154
Project Management	200,000
Consultant Services	550,000
Construction Inspection and Testing	200,000
Permits, Printing, and Miscellaneous	<u>25,000</u>

Subtotal	\$5,535,000
City Administration	<u>360,000</u>
TOTAL PROJECT COST ESTIMATE	\$5,895,000
PROJECT BUDGET	<u>4,630,000</u>
PROJECT SHORTFALL	\$1,265,000

Staff requests an appropriation of \$1,265,000 from the 2016 VTA Measure B Sales Tax Local Streets and Roads Program Fund to Project 21-40 to fully fund the Project. There is sufficient balance in the 2016 VTA Measure B Sales Tax—Local Streets and Roads Program Fund for the recommended actions.

ALTERNATIVES

1. Do not approve the recommended actions, reject bids, and direct staff to reduce the scope and rebid the Project.
2. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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