



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2016

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction Of Las Positas Road At Cliff Drive Roundabout Project

**RECOMMENDATION:** That Council:

- A. Relieve the apparent low bidder, C.S. Legacy Construction, Inc., of its bid due to clerical error in accordance with their written request, dated August 19, 2016, and in accordance with Public Contract Code Sections 5100-5107;
- B. Award a contract with Granite Construction Company in their low bid amount of \$1,275,573 for construction of the Las Positas Road at Cliff Drive Roundabout Project, Bid No. 3599; and authorize the Public Works Director to execute the contract and approve expenditures up to \$127,557 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- C. Authorize the increase in appropriations and estimated revenues related to the State Transportation Improvement Program grant funding by \$750,000 in the Fiscal Year 2017 Streets Grant Fund for construction;
- D. Transfer \$170,000 from the General Fund Capital Outlay Fund to the Streets Capital Fund for a portion of the City's share of construction costs; and
- E. Authorize an in-kind contribution of up to \$160,000 from the General Fund to cover unfunded costs associated with staff time related to construction management and inspection.

**DISCUSSION:**

Project Description

The Las Positas Road at Cliff Drive Roundabout Project (Project) will construct a single-lane roundabout at the intersection of Las Positas Road and Cliff Drive (Intersection). In

addition to the roundabout, the Project will include new street lights, storm water treatment improvements, and improved pedestrian, bicycle, and transit facilities at the Intersection. The purpose of the Project is to improve traffic operations and reduce congestion at the Intersection. The existing three-way stop-controlled intersection experiences deficient traffic operations during both the morning and evening peak hours, including recurring congestion and queuing, particularly during the evening peak hour.

An environmental review has been conducted, and the Project was determined to be Categorically Exempt under the California Environmental Quality Act and Categorically Excluded under the National Environmental Policy Act.

### Contract Bids

A total of four bids were received for the subject work, ranging as follows:

	<b>BIDDER</b>	<b>BID AMOUNT</b>
1.	C.S. Legacy Construction, Inc. Pomona, CA	\$1,062,750.80
2.	Granite Construction Company Santa Barbara, CA	\$1,275,573.00
3.	Lash Construction, Inc. Santa Barbara, CA	\$1,298,098.00
4.	John Madonna Construction Co., Inc. San Luis Obispo, CA	\$1,390,673.50*

\*corrected bid total

The apparent low bidder, C.S. Legacy Construction, Inc. (C.S. Legacy), found a clerical error in its bid that caused the bid to be materially different than what was intended. C.S. Legacy subsequently submitted a timely written request on August 19, 2016 (see Attachment), to withdraw its bid. Public Contract Code Sections 5100-5107 allow the City, as the awarding authority, to relieve a bidder of its bid due to a material mistake in a bid that is due to a typographical or clerical error and to award the contract to the second lowest responsible and responsive bidder. C.S. Legacy's withdrawal request met the requirements of the Public Contract Code, and staff recommends relieving C.S. Legacy of its bid.

The second low bid of \$1,275,573.00, submitted by Granite Construction Company, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$127,557, or ten percent, is typical for this type of work and size of project.

### Community Outreach

Throughout the Project's development, several Council meetings were held to discuss this Project, including two meetings to discuss various alternatives and funding options. After reviewing different options at two separate meetings, Council selected a roundabout design and directed staff to move forward with the final design at the November 19, 2013, Council meeting. In addition, the design was presented to the Architectural Board of Review at three separate meetings throughout the design process.

Prior to the start of construction, notifications will be mailed to residents within the vicinity of the Project. Additional means for notifying the travelling public in advance of construction will include a press release, posting on Nextdoor.com, and advanced warning signs at the Project site. Project updates will be provided using these methods throughout construction as needed.

### Funding

Construction for this Project is funded by \$750,000 of State Transportation Improvement Program (STIP) grant funds, for which staff requests an increase to estimated revenues and expenditures in the Streets Grant Fund. The Project is also funded by City funds. This Project has received two General Fund allocations totaling \$870,000 to complete design and fund a portion of the construction costs of the selected roundabout alternative. These allocations were originally appropriated to the General Fund Capital Outlay Fund, of which \$700,000 was transferred to the Streets Capital Fund in prior fiscal years. At this time, staff requests that the remaining \$170,000 be transferred from the General Fund Capital Outlay Fund to the Streets Capital Fund for better accounting management. With the STIP allocation and the General Fund appropriations, there are sufficient funds in the Streets Capital Fund to cover the construction and consultant contracts. However, there are insufficient funds within the Streets Capital Fund to cover all of the staff time required to provide construction management and inspection of the Project. Staff proposes, therefore, to not bill against the Streets Capital Fund for these services, resulting in costs to the General Fund which will not be recovered. The recommended authorization of up to a \$160,000 in-kind contribution from the General Fund will cover this shortfall needed for construction management and inspection. The actual amount of the contribution will depend on the final amount of the construction contract, including change orders.

The following summarizes the expenditures recommended in this report:

**CONSTRUCTION CONTRACT FUNDING SUMMARY**

	<b>Basic Contract</b>	<b>Change Funds</b>	<b>Total</b>
Construction Contract	\$1,275,573.00	\$127,557.00	\$1,403,130.00
<b>TOTAL RECOMMENDED AUTHORIZATION</b>			<b>\$1,403,130.00</b>

The following summarizes all Project design costs, construction contract funding, and other Project costs:

**ESTIMATED TOTAL PROJECT COST**

*\*Cents have been rounded to the nearest dollar in this table.*

	<b>GRANT SHARE</b>	<b>CITY SHARE</b>	<b>TOTAL</b>
Design (by Contract)	\$0	\$248,403	<b>\$248,403</b>
Other Design Costs – City staff	0	130,000	<b>130,000</b>
Other Design Costs – Environmental Assessments	0	16,830	<b>16,830</b>
Other Design Costs – Constructability Review	0	8,768	<b>8,768</b>
<b><i>Design Subtotal</i></b>	<b>\$0</b>	<b>\$404,001</b>	<b>\$404,001</b>
Construction Contract	\$750,000	\$525,573	<b>\$1,275,573</b>
Construction Change Order Allowance	0	127,557	<b>127,557</b>
<b><i>Subtotal</i></b>	<b>\$750,000</b>	<b>\$653,130</b>	<b>\$1,403,130</b>
Construction Management/Inspection (by City Staff)	\$0	\$180,995	\$180,995
Construction Support Services (by Consultant)	0	35,000	35,000
Material Testing	0	10,000	10,000
<b><i>Subtotal</i></b>	<b>\$0</b>	<b>\$225,995</b>	<b>\$225,995</b>
<b><i>Construction Subtotal</i></b>	<b>\$750,000</b>	<b>\$879,125</b>	<b>\$1,629,125</b>
<b>TOTAL PROJECT COST</b>	<b>\$750,000</b>	<b>\$1,283,126</b>	<b>\$2,033,126</b>

**ATTACHMENT:** Bid Withdrawal Letter from C.S. Legacy

**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/AS/sk

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

**APPROVED BY:** City Administrator's Office



ATTACHMENT  
CITY OF SANTA BARBARA  
AUG 22 2016  
ENGINEERING

8/19/16

Re: Bid No. 3599 - Las Positas Road at Cliff Drive Roundabout Project – Bid Withdrawal

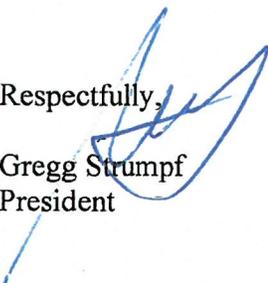
To whom it may concern:

Please accept this letter as our official withdrawal of the bid submitted for the above referenced project on 8/18/16.

A clerical error was made that caused us to submit an incorrect bid. Our bid item #15 should have been entered as \$205.00 Ton vs. the \$105.00 Ton. Our bid clerk incorrectly entered this number.

Thank you in advance for your understanding in this matter.

Respectfully,

  
Gregg Strumpf  
President