



MEMORANDUM

TO: CITY COUNCIL

FROM: BILL ROBESON, ASSISTANT CITY MANAGER/PUBLIC WORKS DIRECTOR

BY: ROBIN DICKERSON, PE, CITY ENGINEER
JILL MCPEEK, CAPITAL IMPROVEMENT PROJECT MANAGER

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO J.J. FISHER CONSTRUCTION, INC. FOR CONSTRUCTION OF THE CASTILLO DEL MAR EXTENSION PROJECT, PW 2020-05, AND AUTHORIZATION OF A BUDGET ADJUSTMENT IN THE AMOUNT OF \$31,124.71 FOR UNANTICIPATED REVENUE FROM THE LUCIA MAR UNIFIED SCHOOL DISTRICT TO FUND 350-CAPITAL IMPROVEMENT PROGRAM AND FOR A TRANSFER OF \$24,102.78 OF LOCAL SALES TAX FUNDS FROM THE ANNUAL PAVEMENT MANAGEMENT PROGRAM TO THE SUBJECT PROJECT

DATE: JANUARY 12, 2021

SUMMARY OF ACTION:

Award a construction contract for the Castillo Del Mar Extension project, and authorize a budget adjustment to account for an additional \$31,124.71 contribution from the Lucia Mar Unified School District and for a transfer of \$24,102.78 of Local Sales Tax Funds from the Annual Pavement Management Program to the project.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2020-21 Capital Improvement Program (CIP) budget includes \$1,011,353 for the design, testing, contract administration, construction, and construction contingencies of the Castillo Del Mar Extension project. A total of \$1,066,581 is needed to fully fund the project. The Lucia Mar Unified School District (LMUSD) has approved an additional contribution of \$31,124.71, and staff recommends a transfer of Local Sales Tax from the Annual Pavement Management Program budget for the remaining \$24,102.78 as shown in the table below.

	Developer Contribution	Local Sales Tax	LMUSD	Total
Revenues				
Current CIP Budget	\$ 536,500	\$ 419,018	\$ 55,835	\$ 1,011,353
Additional Funding		24,103	31,124	55,227
Total Revenues	\$ 536,500	\$ 443,121	\$ 86,959	\$ 1,066,580

Staff time will be necessary to provide construction management and inspection services for the project.

RECOMMENDATION:

It is recommended the City Council: 1) Award a contract for the Castillo Del Mar Extension Project to J.J. Fisher Construction, Inc. in the amount of \$930,943.20; 2) Authorize the City Manager to approve change orders for 10% of the contract amount, \$930,943.20, for unanticipated costs during the construction phase of the project (total construction costs = \$930,943.20 + \$93,094.32 = \$1,024,037.52); 3) authorize a budget adjustment in the amount of \$31,124.71 of unanticipated revenue from the Lucia Mar Unified School District (LMUSD) to fund 350-Capital Improvement Program and for a transfer of \$24,102.78 of Local Sales Tax funds from the Annual Pavement Management Program to the subject project.

CITY COUNCIL

CONSIDERATION OF AN AWARD OF CONTRACT TO J.J. FISHER CONSTRUCTION, INC. FOR CONSTRUCTION OF THE CASTILLO DEL MAR EXTENSION PROJECT, PW 2020-05, AND AUTHORIZATION OF A BUDGET ADJUSTMENT IN THE AMOUNT OF \$31,124.71 FOR UNANTICIPATED REVENUE FROM THE LUCIA MAR UNIFIED SCHOOL DISTRICT TO FUND 350-CAPITAL IMPROVEMENT PROGRAM AND FOR A TRANSFER OF \$24,102.78 OF LOCAL SALES TAX FUNDS FROM THE ANNUAL PAVEMENT MANAGEMENT PROGRAM TO THE SUBJECT PROJECT

JANUARY 12, 2021

PAGE 2

BACKGROUND:

On September 22, 2020, the City Council approved the construction plans and specifications, authorized the solicitation of bids, and confirmed the environmental determination for the Castillo Del Mar Extension project. The general Base Bid scope of work involves the demolition of portions of the existing roadway and Arroyo Grande High School parking lot and the construction of public improvements within a new right-of-way that will realign Castillo Del Mar to a new connection point with Valley Road. The scope of work also includes a multi-use path, drainage improvements, waterline relocation, and landscaping. The project scope also included a number of Add Alternative Bid items to allow the City to award the Base Bid as well as Add Alternate Bid items in any order or quantity based on available funding. On December 15, 2020, the Lucia Mar Unified School District (LMUSD) Board approved a total of \$86,959.81 to be used towards the Add Alternate Bid items for street lighting, parking lot striping, and an access drive that connects the two parking lots and provides additional parking. The School District has agreed to relocate the portable buildings in the parking lot themselves, so the bid alternate for the portable building relocation is not necessary.

ANALYSIS OF ISSUES:

On November 19, 2020, eleven bids were received for the Castillo Del Mar Extension project. Following review and mathematical corrections, the lowest base bid was received from J.J. Fisher Construction, Inc. in the amount of \$784,158.67, which is approximately \$22,200 below the engineer's estimate of \$804,380. The final engineer's estimate for the Base Bid plus the six Add Alternative Bid items was \$966,715. J.J. Fisher Construction, Inc.'s total project bid was \$933,166.16, which is approximately \$33,500 below the engineer's estimate.

The project specifications state that the lowest bidder will be determined using the base bid. J.J. Fisher Construction, Inc.'s base bid has been determined to be responsive and J.J. Fisher Construction, Inc. to be a responsible bidder. Therefore, an award of a construction contract to J.J. Fisher Construction, Inc. is being recommended. In addition to the award of the Base Bid, staff is also recommending the award of five of the Add Alternative Bid items as outlined below.

CITY COUNCIL

CONSIDERATION OF AN AWARD OF CONTRACT TO J.J. FISHER CONSTRUCTION, INC. FOR CONSTRUCTION OF THE CASTILLO DEL MAR EXTENSION PROJECT, PW 2020-05, AND AUTHORIZATION OF A BUDGET ADJUSTMENT IN THE AMOUNT OF \$31,124.71 FOR UNANTICIPATED REVENUE FROM THE LUCIA MAR UNIFIED SCHOOL DISTRICT TO FUND 350-CAPITAL IMPROVEMENT PROGRAM AND FOR A TRANSFER OF \$24,102.78 OF LOCAL SALES TAX FUNDS FROM THE ANNUAL PAVEMENT MANAGEMENT PROGRAM TO THE SUBJECT PROJECT

JANUARY 12, 2021

PAGE 3

	Developer Contribution	Local Sales Tax	LMUSD	Total
Expenditures				
Design and Survey		\$ 8,034		\$ 8,034
Testing		\$ 14,994		\$ 14,994
Contract Admin/Inspection		\$ 19,516		\$ 19,516
Construction	<u>\$ 536,500</u>	<u>\$ 315,389</u>	<u>\$ 79,054</u>	<u>\$ 930,943</u>
Base Bid	536,500	247,659		784,159
Add Alt 1 - Increase Street Section		39,690		39,690
Add Alt 2 - Street Trees		28,040		28,040
Add Alt 3 - Parking Lot Striping			4,284	4,284
Add Alt 4 - Relocate Portable Storage	-	-	-	-
Add Alt 5 - Street Lights			17,456	17,456
Add Alt 6 - Parking Lots Access Drive			57,314	57,314
Construction Contingencies (10%)		\$ 85,188	\$ 7,905	\$ 93,093
Total Expenditures	\$536,500	\$ 443,121	\$ 86,959	\$1,066,580

** LMUSD to complete Add Alternate 4*

The original Castillo Del Mar Extension project budget estimated a contribution of \$55,835 from LMUSD. Since that time, LMUSD authorized an additional \$31,124 contribution to fund certain Add Alternative Bid items. In order to fully fund the project with the five chosen Add Alternative Bid items, an additional \$24,103 is needed in the budget, beyond the \$86,959 being contributed by LMUSD. A budget adjustment is recommended to account for the full amount being provided by LMUSD. Staff is also recommending a transfer of \$24,103 of Local Sales Tax funds from the Annual Pavement Management Program budget to be used toward the construction contingencies to fully fund the remainder of the project. If all of the contingencies are not used, the funds will be returned to the Annual Pavement Management Program budget.

	Developer Contribution	Local Sales Tax	LMUSD	Total
Revenues				
Current CIP Budget	\$ 536,500	\$ 419,018	\$ 55,835	\$ 1,011,353
Additional Funding		24,103	31,124	55,227
Total Revenues	\$ 536,500	\$ 443,121	\$ 86,959	\$ 1,066,580

The estimated contract time is 222 working days (180 for the base bid plus 3 working days each for Add Alternative Bid Items 1, 2, 3 and 6, and 30 working days for Add Alternative Bid Item 5). It is anticipated work will be accomplished between February 2021 and December 2021.

CITY COUNCIL

CONSIDERATION OF AN AWARD OF CONTRACT TO J.J. FISHER CONSTRUCTION, INC. FOR CONSTRUCTION OF THE CASTILLO DEL MAR EXTENSION PROJECT, PW 2020-05, AND AUTHORIZATION OF A BUDGET ADJUSTMENT IN THE AMOUNT OF \$31,124.71 FOR UNANTICIPATED REVENUE FROM THE LUCIA MAR UNIFIED SCHOOL DISTRICT TO FUND 350-CAPITAL IMPROVEMENT PROGRAM AND FOR A TRANSFER OF \$24,102.78 OF LOCAL SALES TAX FUNDS FROM THE ANNUAL PAVEMENT MANAGEMENT PROGRAM TO THE SUBJECT PROJECT

JANUARY 12, 2021

PAGE 4

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve the recommended actions as proposed;
2. Award a construction contract to the lowest responsive/responsible bidder but limit the number of Add Alternative Bid items awarded;
3. Do not award a construction contract for the project at this time; or
4. Provide direction to staff

ADVANTAGES:

The extension of Castillo Del Mar will result in improved access for the Vista Del Mar and the Heights at Vista Del Mar developments, and will help relieve congestion related to high school traffic.

DISADVANTAGES:

The City will be responsible for the additional road maintenance costs. A transfer of Local Sales Tax funds takes away funding from other streets projects.

ENVIRONMENTAL REVIEW:

The project was reviewed in compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines and the City of Arroyo Grande Rules and Procedures for Implementation of CEQA. The City Council adopted a Mitigated Negative Declaration on August 22, 2006 which included the extension of Castillo Del Mar. In September 2020, per Section 15162 of the CEQA Guidelines, City staff reviewed the adopted Mitigated Negative Declaration and found that there are no substantial changes that would require additional environmental review. On September 22, 2020, the Council adopted Resolution No. 5036 confirming the environmental determination.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Bid Opening Log Sheet



CITY OF ARROYO GRANDE
 BID OPENING LOG SHEET

DEADLINE: THURSDAY, NOVEMBER 19, 2020 – 2:00 PM
 PROJECT NAME: CASTILLO DEL MAR EXTENSION PROJECT
 PROJECT NO.: PW-2020-05
 ESTIMATED CONSTRUCTION COST: \$935,000

SUBMITTED BY:

- | | | | |
|--|--|--|---|
| | 1. G. Sosa Construction
Santa Maria, CA 93458 | 2. Seamair Construction
San Luis Obispo, CA 93406 | 3. Raminha Construction
Atascadero, CA 93422 |
|--|--|--|---|

BASE BID:	-\$946,846.00 \$927,596.00	-\$875,559.00 \$875,552.52	\$887,318.00
ALT. #1	\$45,000.00	-\$41,669.00 \$41,670.00	\$49,500.00
ALT. #2	\$24,500.00	\$11,991.00	\$17,250.00
ALT. #3	\$6,400.00	\$4,577.00	\$5,800.00
ALT. #4	\$5,000.00	\$5,203.00	\$5,000.00
ALT. #5	\$18,600.00	-\$36,799.00 \$36,798.99	\$36,000.00
ALT. #6	\$116,490.00	-\$71,657.00 \$71,659.88	-\$26,720.00 \$72,745.00
TOTAL BID:	\$1,162,836.00 \$1,143,586.00	\$1,047,455.00 \$1,047,452.39	\$1,027,588.00 \$1,073,613.00



**CITY OF ARROYO GRANDE
 BID OPENING LOG SHEET**

**DEADLINE: THURSDAY, NOVEMBER 19, 2020 – 2:00 PM
 PROJECT NAME: CASTILLO DEL MAR EXTENSION PROJECT
 PROJECT NO.: PW-2020-05
 ESTIMATED CONSTRUCTION COST: \$935,000**

SUBMITTED BY:

- | | | |
|-----------------------------|-----------------------|---------------------------|
| 4. J.F. Will Company | 5. CalPortland | 6. S. Chaves |
| Santa Maria, CA 93455 | Santa Maria, CA 93456 | San Luis Obispo, CA 93401 |

BASE BID:	-\$1,168,488.87 \$1,168,503.69	\$805,061.00	-\$975,489.18 \$992,819.18
ALT. #1	\$43,470.00	\$46,500.00	\$41,073.00
ALT. #2	-\$29,144.00 \$29,114.00	\$19,911.00	-\$17,084.54 \$17,084.44
ALT. #3	\$4,692.00	\$4,820.00	\$4,414.80
ALT. #4	\$1,150.00	\$1,200.00	\$2,951.87
ALT. #5	\$15,525.00	\$16,440.00	\$14,608.08
ALT. #6	-\$63,334.35 \$80,066.85	\$86,786.00	-\$75,783.12 \$75,783.20
TOTAL BID:	-\$1,325,774.22 \$1,342,521.54	\$980,718.00	-\$1,131,404.67 \$1,148,734.57



**CITY OF ARROYO GRANDE
 BID OPENING LOG SHEET**

**DEADLINE: THURSDAY, NOVEMBER 19, 2020 – 2:00 PM
 PROJECT NAME: CASTILLO DEL MAR EXTENSION PROJECT
 PROJECT NO.: PW-2020-05
 ESTIMATED CONSTRUCTION COST: \$935,000**

SUBMITTED BY:

- | | | |
|--|---|--|
| 7. Rdz Contractors
Nipomo, CA 93444 | 8. Papich Construction
Arroyo Grande, CA 93420 | 9. R. Burke Corporation
San Luis Obispo, CA 93406 |
|--|---|--|

BASE BID:	—\$844,632.96 \$816,982.80	—\$915,987.60 \$917,913.60	\$900,392.00
ALT. #1	\$47,628.00	\$46,890.00	\$45,000.00
ALT. #2	\$27,820.80	\$17,575.00	\$17,100.00
ALT. #3	\$9,279.36	\$5,100.00	\$5,530.00
ALT. #4	\$1,620.00	\$4,305.00	\$1,000.00
ALT. #5	\$26,568.00	\$18,630.00	\$15,000.00
ALT. #6	—\$27,650.16 \$69,747.20	\$97,066.06	\$95,170.00
TOTAL BID:	—\$1,025,248.16 \$999,646.16	\$1,107,479.60	\$1,076,192.00



**CITY OF ARROYO GRANDE
 BID OPENING LOG SHEET**

**DEADLINE: THURSDAY, NOVEMBER 19, 2020 – 2:00 PM
 PROJECT NAME: CASTILLO DEL MAR EXTENSION PROJECT
 PROJECT NO.: PW-2020-05
 ESTIMATED CONSTRUCTION COST: \$935,000**

SUBMITTED BY:

	10. Granite Construction Santa Barbara, CA 93160	11. JJ. Fisher Construction Nipomo, CA 93444
BASE BID:	\$858,202.00	-\$784,158.67 \$784,158.67
ALT. #1	\$48,600.00	\$39,690.00
ALT. #2	\$14,600.00	\$28,040.25
ALT. #3	\$5,600.00	-\$3,284.00 \$4,284.00
ALT. #4	\$3,500.00	\$2,222.95
ALT. #5	\$34,050.00	\$17,455.86
ALT. #6	\$108,207.00	\$57,314.42
TOTAL BID:	\$1,072,759.00	-\$929,166.16 \$933,166.15

Glenda Boner

Glenda Boner, Administrative Secretary

C: Director of Public Works
 Capital Improvement Project Manager