



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Matt Cano

**SUBJECT:** SEE BELOW

**DATE:** June 1, 2020

Approved

Date

6/4/20

**COUNCIL DISTRICT: 6**

**SUBJECT: ACTIONS RELATED TO THE 9202 – ALL INCLUSIVE LINCOLN GLEN PARK PROJECT**

## RECOMMENDATION

Report on bids and award of construction contract for the 9202 – All Inclusive Lincoln Glen Park Project to the low bidder, Redwood Engineering Construction, Inc., for the base bid and Bid Alternates No. 1 through No. 5 in the amount of \$1,391,840 and approve a contingency in the amount of \$139,184.

## OUTCOME

Approval of the construction contract to Redwood Engineering Construction, Inc. will enable the All Inclusive Lincoln Glen Park Project to proceed. Approval of a ten (10) percent contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project. The completed project will renovate and expand the playground to support recreation for children of all ages and abilities. The project will offer twelve new play features and three adult exercise stations. The project designed is themed on mail delivery, tracking historical references to the sharing of letters and emails over time.

## BACKGROUND

All Inclusive Lincoln Glen Park, is an existing 0.8-acre playground area located at the intersection of Curtner Avenue and Radio Avenue in south central San Jose. This renovation will qualify the Park to be renamed All-Inclusive Lincoln Glen Park and shall meet the definition of an All-Inclusive Playground (AIPG) as defined by Santa Clara County. This AIPG playground will be designed to develop essential physical, social, and cognitive skills,

encourage independent physical access, and provide equal use of integrated environments for all children and families of all abilities.

All-inclusive features include a welcoming secure environment, solitary or semi-solitary retreat areas, open sightlines, imaginative play opportunities and play activities that are grouped into “rooms”. The renovated playground will have amenities that include a tot lot and youth play areas, motion play areas, fitness area, picnic area, planting, irrigation, restroom renovation and various other site furnishings.

The plan set submitted for bids included five Add Alternate bid items. The term “Add Alternate” presents an opportunity for the City to include in the awarded contract additional features should the bids be lower than base project scope. The Director of Public Works will include the following Add Alternate bid items: shade structure, umbrellas at six picnic tables, retrofitting the gateway arch entrance to the playground, additional irrigation and planting as well as replacement of identified worn existing play equipment pieces.

This project is funded by a County of Santa Clara All-Inclusive Playground Grant. The Grant completion deadline is April 30, 2021, by which time all the grant funds must be expended. Construction is scheduled to begin in August 2020, with completion in March 2021.

**ANALYSIS**

Public Works requested bids for the base bid work and five Add Alternate bid items as follows:

- Add Alternate No. 1: Installation of a shade structure
- Add Alternate No. 2: Installation of umbrellas at the picnic tables.
- Add Alternate No. 3: Retrofitting the gateway arch at the park entrance
- Add Alternate No. 4: Installation of additional irrigation and planting
- Add Alternate No. 5: Replacement of existing worn play equipment pieces

Bids were opened on April 30, 2020 with the following results:

<u>Contractor</u>	<u>Base Bid</u>	<u>Add Alt Total</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>% Over/ (Under) Total Bid Eng. Est.</u>
Redwood Engineering Construction, Inc. (Redwood City)	\$1,292,420	\$99,420	\$1,391,840	211,560	(13)
Suarez & Munoz Construction, Inc. (Hayward)	1,479,640	157,000	1,636,640	33,240	2
<b>Engineer’s Estimate</b>	<b>1,491,100</b>	<b>112,300</b>	<b>\$1,603,400</b>	<b>---</b>	<b>---</b>

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Integra Construction Services, Inc. (Pleasanton)	1,612,514	166,514	1,779,028	175,628	11
	Add Alt	Add Alt	Add Alt	Add Alt	Add Alt
<u>Contractor</u>	<u>No. 1</u>	<u>No. 2</u>	<u>No. 3</u>	<u>No. 4</u>	<u>No. 5</u>
Redwood Engineering Construction, Inc.	\$30,000	\$30,000	\$7,800	\$19,620	\$12,000
Suarez & Munoz Construction, Inc.	40,000	48,000	12,000	36,000	21,000
<b>Engineer’s Estimate</b>	<b>26,000</b>	<b>28,000</b>	<b>3,000</b>	<b>42,000</b>	<b>13,300</b>
Integra Construction Services, Inc.	40,170	45,144	10,000	52,127	19,073

The low bid submitted by Redwood Engineering Construction, Inc. is 13 percent under the Engineer’s Estimate. The bid is considered acceptable for the work involved in the project. The lower than estimated bid can be attributed to a competitive bidding environment as a result of the COVID-19 pandemic. Add Alternates numbers 1, 2, 3, 4, and 5 are recommended for award because the project budget is sufficient to accommodate this addition to the project.

During the last seven years, Redwood Engineering Construction, Inc. has not constructed any City capital improvement projects. Its last City project was the Backesto tennis court resurfacing in 2013, which it satisfactorily completed. It has satisfactorily completed numerous park construction projects in the Bay Area, notably in the Cities of Berkeley, Sunnyvale, and Santa Clara.

On March 13, 2020, Suarez and Munoz Construction, Inc. submitted a protest asserting Redwood Engineering Construction’s bid is non-responsive because it did not include signed acknowledgments of addenda 1 through 4. The protest is without merit.

In January 2020, the City streamlined its public works procurement process by eliminating the requirement that contractors sign and submit acknowledgements of City-issued addenda. The change included the City adding the following language to the bid proposal form:

The undersigned, as bidder, declares under penalty of perjury as follows: Before submitting its bid, (a) the bidder affirmatively checked to confirm it had all the procurement documents – including addenda, notices, requests for information, and the City’s response to any requests for information, (b) the bidder reviewed such procurement documents and is knowledgeable about their contents and (c) the bid is based on and incorporates all such procurement documents.”

Accordingly, by signing its proposal form, Redwood Engineering Construction’s bid contained the required acknowledgement of the issued addenda. As such, it is responsive.

The example cited by Suarez and Munoz Construction in its protest regarding having had a bid rejected based on not having submitted signed addenda occurred long before the City's policy change on this issue. Additionally, the provisions cited by Suarez and Munoz Construction in its protest do not mandate that the City require bidders to return a signed addendum as part of the bid. Moreover, given the use of the word "may," the provisions do not require the City to reject a bid if the City does require bidders to return a signed addendum as part of the bid. Finally, contrary to the assertions in the protest, Redwood Engineering Construction will not gain a competitive or monetary advantage because it will have to comply with all the requirements included in the procurement documents, including those set forth in addenda 1 through 5.

San Jose Municipal Code Section 27.04.050 provides that the contingency for all public works contracts (except those involving the renovation of a building or buildings) cannot exceed ten percent of the total contract amount. Staff recommends a ten percent contingency, which should be sufficient to account for unforeseen conditions that might arise in the construction of the project.

### **Project Labor Agreement Applicability**

A project labor agreement (PLA) is not applicable to this project as the Engineer's Estimate is under three million dollars.

### **Local and Small Business Outreach**

Procurement staff used Biddingo to outreach to local and small business enterprises. Chapter 4.12 of the San Jose Municipal Code defines a "local business enterprise" as one with a legitimate business presence in Santa Clara County and "small business enterprise" as a local business enterprise with 35 or fewer employees. Procurement staff sent bid invitations to 2,600 vendors, and documents were downloaded by 43 vendors, approximately 6 of which were located within Santa Clara County and therefore local. The recommended contractor is not a local or a small business enterprise.

### **EVALUATION AND FOLLOW-UP**

No additional follow up action with the City Council is expected at this time.

### **CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

## **PUBLIC OUTREACH**

The Public Outreach phase of the project included two Community Workshops on January 10, 2019, and March 4, 2019, at the Willow Glen Community Center to engage the public in the design development of the park. The conceptual design was presented to the Parks and Recreation Commission as an informational item on June 5, 2019, and as a follow-up item on October 2, 2019.

To solicit contractors, this project was listed on Biddingo. The complete bid package and project information for all construction projects is available on Biddingo for interested contractors, contractor organizations, and builders' exchanges. This memorandum will be posted on the City's website for the June 16, 2020 Council agenda.

## **COORDINATION**

This proposed project and memorandum has been coordinated with the Departments of Planning, Building and Code Enforcement, Parks Recreations and Neighborhood Services, the City Attorney's Office, and the City Manager's Budget Office.

## **COST SUMMARY/IMPLICATIONS**

### 1. COST OF PROJECT:

Project Delivery	\$704,724*
Construction	\$1,391,840
Contingency	<u>\$139,184</u>
<b>TOTAL PROJECT COSTS</b>	<b>\$2,235,748</b>
Prior Years' Expenditures & encumbrances	\$315,769

**TOTAL REMAINING PROJECT COSTS** **\$1,919,979**

\*Project delivery includes \$353,774 for Design Services and \$281,000 for Construction Management and Inspection Services.



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4. **OPERATING COST:** This facility is anticipated to have an annual operating and maintenance impact on the General Fund of approximately \$28,000, which is allocated in the 2020-2021 Proposed Operating Budget. The operating and maintenance funding for this project is included in the Base Budget for the Parks, Recreation and Neighborhood Services Department.

**BUDGET REFERENCE**

The table below identifies the fund and appropriations to fund the contract recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	Total Appn	Rec. Budget Action	Amt. for Contract	2019-2020 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
375	409F	All Inclusive Lincoln Glen Park	\$1,685,000	N/A	\$1,391,840	V-512	10/22/2019 Ord 30325
384	4760	Lincoln Glen Park Playground Renovation	\$397,000	N/A	N/A	V-361	10/22/2019 Ord 30325

**CEQA**

Categorically Exempt, File No. PP18-023, CEQA Guidelines Section 15301 Existing Facilities.

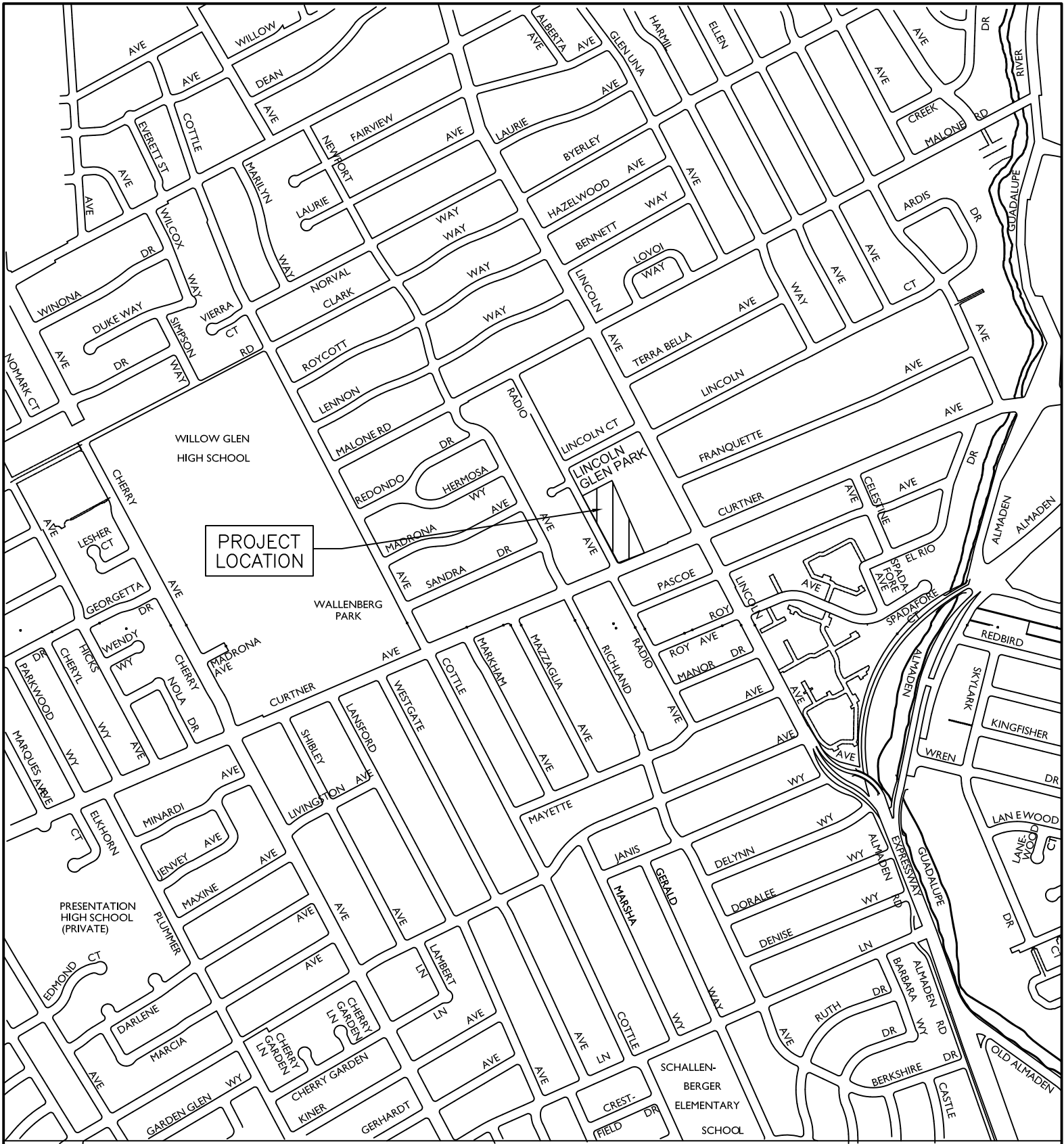
/s/

MATT CANO

Director of Public Works

For questions, please contact Michael O’Connell, Deputy Director of Public Works, at (408) 975-7333.

Attachment: All Inclusive Lincoln Glen Park Location Map



**9202 - PARK: ALL INCLUSIVE LINCOLN GLEN**  
**LOCATION MAP**  
 NOT TO SCALE

