



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano
Jon Cicirelli
Jim Shannon

SUBJECT: SEE BELOW

DATE: May 21, 2020

Approved

Date

5/22/2020

COUNCIL DISTRICT: 3

SUBJECT: ACTIONS RELATED TO THE 8469 – TAMIEN PARK – PHASE II PROJECT AND ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE SUBDIVISION PARK TRUST FUND.

RECOMMENDATION

- (a) Report on bids and award of construction contract for the 8469 – Tamien Park – Phase II Project to the lowest responsive bidder, Suarez & Munoz Construction, Inc., for the base bid and Add Alternate No. 1 in the amount of \$1,992,500 and approve a contingency in the amount of \$99,625.
- (b) Adopt the following 2019-2020 Appropriation Ordinance amendments in the Subdivision Park Trust Fund:
 - (1) Increase the Tamien Park Development (Phase II) appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$67,000; and
 - (2) Decrease the Tamien Park Development Reserve by \$67,000.

OUTCOME

Approval of the construction contract to Suarez & Munoz Construction, Inc. will enable the Tamien Park Phase II Project to proceed. Approval of a five (5) percent contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

BACKGROUND

Tamien Park, a 3.5 acre vacant parcel located at the intersection of Lick Avenue and Goodyear Street, was acquired from the Santa Clara Valley Transportation Authority (VTA) in 2011. The master plan and California Environment Quality Act (CEQA) documents for this park were approved by Council on June 16, 2015.

The project was split into two phases due to negotiations with VTA for the parcel containing the soccer field. Phase I, which included a restroom, playground, basketball court, volleyball court, site furnishings, and other site improvements, was completed and opened to the public in August 2017.

Phase II includes a natural turf soccer field, an all-weather track, a soccer viewing area with shade, a fitness area, planting areas, fencing, concrete sidewalk, signage, site furnishings, irrigation, lighting, and entry pilasters.

The project has one bid alternate that includes exercise equipment, resilient surfacing, and a shade structure in the fitness area. The base bid would include a mulched fitness area without these features.

The Tamien Park Phase II project was previously advertised twice. The City rejected the first round of bids in order to adjust the plans and specifications to remove any association with the Housing-Related Parks Program (HRPP) grant funding originally tied to this project, as all grant invoices were already reimbursed through another project funded by the same grant. The second round of bids were rejected to adjust the plans and specifications to alter the design of the former stage area into a soccer viewing area, based on community input that Park, Recreation and Neighborhood Services received prior to the award of the project.

The construction of the Tamien Park Phase II project is scheduled to begin in July 2020, with completion in May 2021.

ANALYSIS

The City requested bids for the base bid work and one Bid Alternate. The Bid Alternate includes adding a shade structure, fitness equipment, and resilient rubber surfacing to the fitness area in lieu of mulch surfacing. Bids were opened on February 27, 2020, with the following results:

<u>Contractor</u>	<u>Base Bid Amount</u>	<u>Bid Alt No. 1</u>	<u>Total Bid Amount</u>	<u>Variance Amount</u>	<u>% Over/ (Under) Base Bid Eng. Est.</u>
Goodland Landscape Construction, Inc. (Santa Clara)	\$1,781,400	\$153,900	\$1,935,300	64,700	(5)

Suarez & Munoz Construction, Inc. (Hayward)	1,802,500	190,000	1,992,500	7,500	(4)
Engineer’s Estimate	1,875,000	125,000	\$2,000,000	---	---
Integra Construction Services, Inc. (Pleasanton)	2,128,000	198,000	2,326,000	326,600	14

The bid submitted by Goodland Landscape Construction, Inc. was non-responsive because it failed to submit a properly executed bidder’s bond that included the required notary acknowledgement. The City consistently deems bids without proper notarization as “non-responsive,” as proper execution of bonds may affect the City’s ability to enforce them. Bidder’s bonds provide the City with a guarantee that the winning bidder will execute the contract under the terms of their bid. Without enforceable bidder’s bonds, bidders might back out of their bids and the City would be required to expend staff time and resources rebidding projects.

The lowest responsive bidder is Suarez & Munoz Construction, Inc. Public Works staff determined the lowest responsive bidder as follows:

- 1. Specification Requirements:** The project specifications require determining the low bid by adding the cost of the bid alternates to the base bid in ascending numerical sequence until a total is reached to which no more bid alternates can be added without exceeding the total budget of \$2,000,000. The low bid is the one that includes the greatest number of bid alternates, or that offers an equal number of bid alternates for the lowest price.

The second low Base Bid submitted by Suarez & Munoz Construction, Inc. is approximately four percent under the Engineer’s Estimate and only \$21,100 more than the bid submitted by Goodland Landscape Construction, Inc. The bid is considered acceptable for the work involved in the project. Bid Alternate No. 1 is recommended for award because the project budget is sufficient to accommodate this addition to the project.

Suarez & Munoz Construction, Inc. has been involved in a number of City capital improvement projects and exhibited above satisfactory performance. In recent years, they have completed Tamien Park Phase I, Iris Chang Park, 31st and Alum Rock Park, and they are currently working on the Watson Park Renovation Project.

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 five percent contingency, which should be sufficient to account for unforeseen conditions that might arise in the construction of phase 2.

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.

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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 23 vendors, approximately 5 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

Seven community workshops were conducted during the Master Planning phase and design phase.

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 2, 2020, Council agenda.

COORDINATION

This proposed project and memorandum has been coordinated with the Departments of Planning, Building and Code Enforcement, and the City Attorney’s Office.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT:

Project Delivery	\$782,171
Construction	\$1,992,500
Contingency	\$99,625
TOTAL PROJECT COSTS	\$2,874,296
Prior Years' Expenditures & encumbrances	\$ 262,296
REMAINING PROJECT COSTS	\$2,612,000
Total Available Funding	\$2,545,000
ADDITIONAL FUNDING REQUIRED	\$67,000

2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Temporary Mobilization, and Facilities and Controls	\$70,000
Utility Conflict Cost Allowance	\$25,000
Temporary Erosion And Sediment Control	\$13,500
Emergency Erosion And Sediment Control Allowance	\$10,000 (Allowance)
Demolition And Site Clearing	\$50,000
Pilasters, Planter Walls And Signage	\$150,000
Site Furnishings	\$150,000
Electrical And Lighting	\$15,000
Grading	\$300,000
Operation And Maintenance	\$5,000
Flexible Paving	\$150,000
Rigid Paving	\$88,000
Porous Concrete	\$175,000
Polyurethane Track Surface	\$80,000

Chain Link Fences And Gates	\$50,000
Decorative Metal Fences And Gates	\$27,000
Planting Irrigation	\$160,000
Planting Preparation	\$40,000
Turf And Grasses	\$58,000
Plants	\$20,000
Storm Drainage Utilities	\$116,000
Construction Allowance	\$50,000 (Allowance)
Total Base Bid Amount (Items 1 Through 22, Inclusive) For The Lump Sum Total Of:	\$1,802,500
Fitness Equipment, Shade Structure, Resilient Surfacing In Lieu Of Mulch In Fitness Area	\$190,000
Total Construction Contract Amount	\$1,992,500

3. **SOURCE OF FUNDING:** 375 – Subdivision Park Trust Fund
A total of \$2,545,000 is currently available to fund this project. Funding is available in the Tamien Reserve in the Subdivision Park Trust Fund to address the recommended increase of \$67,000 for this project.

4. **OPERATING COST:** This facility is anticipated to have an annual operating and maintenance impact on the General Fund of approximately \$68,000, which was allocated in the 2018-2019 Operating Budget for the Parks, Recreation and Neighborhood Services Department.

Once the City completes its compensation terms with the VTA for the remaining parcel needed for Phase II, a scope for the project and a funding plan will be developed. After a refined project scope and funding needs identified, staff will return to the City Council through a City Council memorandum or a future budget process with more refined information as well as necessary budget action.

BUDGET REFERENCE

The table below identifies the fund and appropriations allocated to fund the contract and remaining project costs, including project delivery, construction, and contingency costs.

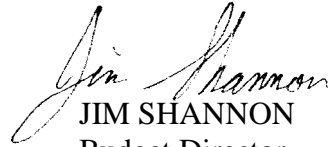
Fund #	Appn #	Appn. Name	Total Appn	Rec. Budget Action	Amt. for Contract	2019-2020 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
375	5086	Tamien Park Development (Phase I)	\$107,000	N/A	N/A	V-506	10/22/19 Ord 30325
375	404W	Tamien Park Development (Phase II)	\$2,438,000	\$67,000	\$1,992,500	V-538	10/22/19 Ord 30325
375	8478	Tamien Reserve	\$133,000	(\$67,000)	N/A	V-573	6/18/19 Ord 30286

CEQA

Mitigated Negative Declaration, File No. PP14-057.

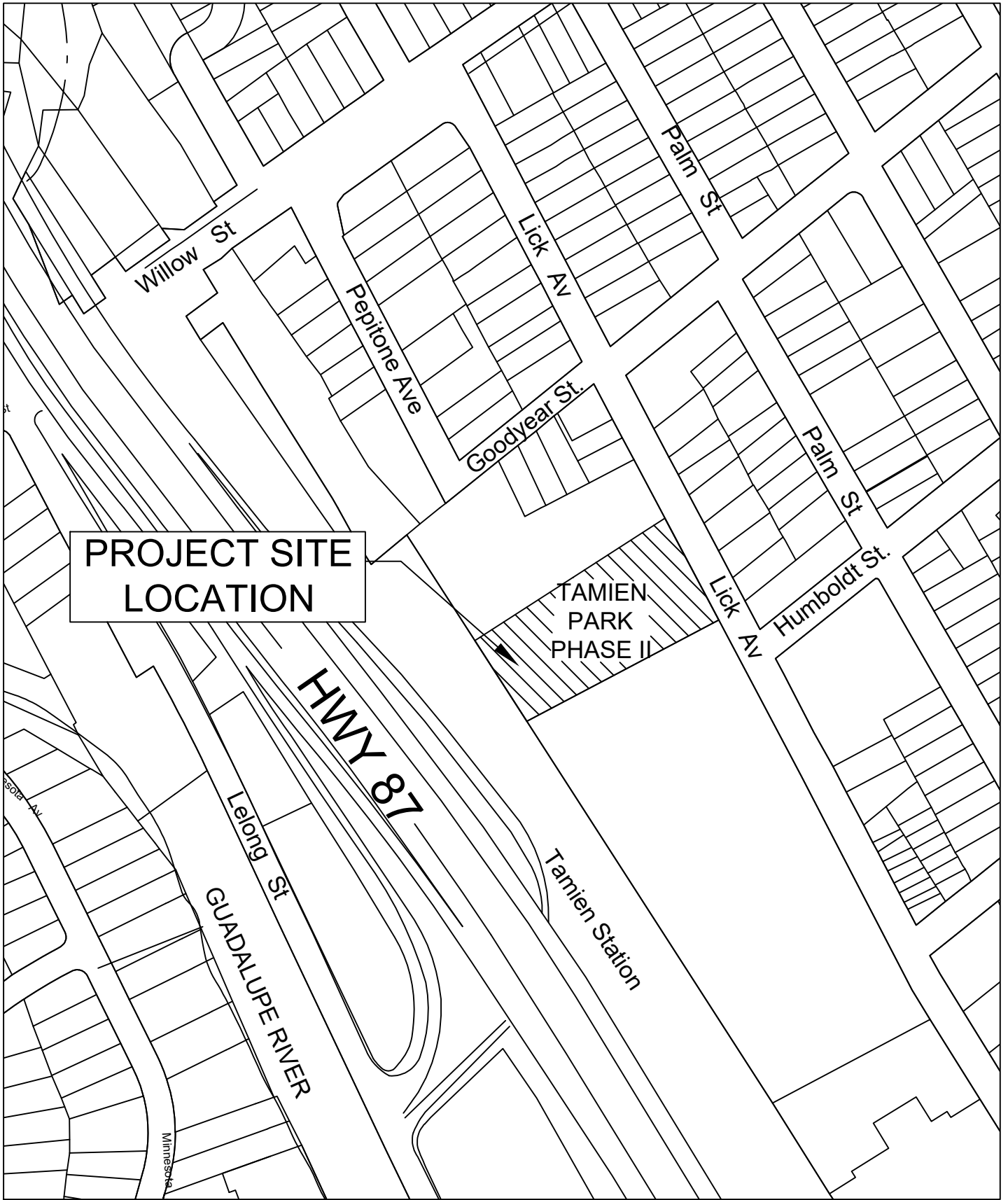
/s/
MATT CANO
Director of Public Works

/s/
JON CICIRELLI
Director of Parks, Recreation and
Neighborhood Services


JIM SHANNON
Budget Director

For questions, please contact Michael O’Connell, Deputy Director of Public Works, at (408) 535-8300.

Attachment: Tamien Park Phase II Location Map



PROJECT SITE
LOCATION

TAMIEN
PARK
PHASE II

HWY 87

GUADALUPE RIVER

TAMIEN PARK - PHASE II LOCATION MAP

NOT TO SCALE

