



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: August 6, 2019

Subject

Authority to increase the construction contingency budget for the McClellan Road Separated Bikeways-Phase 1A project.

Recommended Action

Authorize an increase in the construction contingency budget from \$182,183 (10% of construction amount) to \$291,493 (16% of construction amount) for the McClellan Road Separated Bikeways-Phase 1A Project.

Discussion

On July 3, 2018, the City Council authorized the City Manager to award a construction contract in an amount not to exceed 90% of the appropriated project budget to the lowest responsive bidder and to authorize a construction contingency budget of 10% of the construction contract amount. Bids were opened on August 21, 2018 and Redgewick Construction was the apparent low bidder for \$1,821,831.25. The project was awarded by the City Manager to Redgewick Construction on September 5, 2018 and included a construction contingency of \$182,183 (10%).

Immediately prior to the start of construction notifications were sent to the school districts representing Monta Vista High School and Lincoln Elementary school. Following discussions with the Fremont Union and Cupertino Union School Districts, the start of construction was postponed from November 2018 to May 2019 in order to minimize the traffic and school impacts of construction taking place while school was in session. The cost to postpone construction to avoid these impacts was \$120,000 leaving a contingency balance of \$62,183.

Due to a high number of unforeseen conditions and needs, the remaining contingency balance is not expected to cover all expenses anticipated for the project beyond the contract amount. These conditions include:

- Unmarked fiber optic facilities
- Unmarked underground power circuits
- Unmarked water system facilities

- Communication infrastructure not as shown on utility company record drawings
- Delay by utility companies to move overhead power, support structure, and underground facilities
- Discovery of unknown water system components
- Inaccurate storm system record drawings

Additionally, the project has had several unanticipated items come up, including a request for replacement trees on the De Anza College frontage and the addition of a retaining wall to support existing trees along the back of the new sidewalk.

An additional \$109,310 (6%) contingency will provide adequate funding to substantially complete the project prior to the beginning of the school year (August 12, 2019 teachers return, August 15, 2019 Lincoln Elementary students start and August 22, 2019 Monta Vista students start) and avoid an extended impact to the new school year.

Sustainability Impact

No sustainability impact.

Fiscal Impact

This project is funded in the current Capital Improvement Budget. No additional appropriations are needed.

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Reviewed by: Michael Zimmermann, CIP Program Manager
Approved for Submission by: Deborah Feng, City Manager