



## PUBLIC WORKS DEPARTMENT

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### CITY COUNCIL STAFF REPORT

Meeting: January 19, 2021

#### Subject

Increase the construction contingency budget for the McClellan Ranch Preserve Community Garden Improvement Project (No. 2017-15) due to COVID-19.

#### Recommended Action

1. Authorize an increase in the Construction Contingency Budget from \$64,930 to \$280,530 for the McClellan Ranch Preserve Community Garden Improvement Project; and
2. Adopt Resolution No 21-\_\_\_ (Attachment A) to approve Budget Modification No. 2021-113 increasing appropriations in the Capital Improvement Fund 420-99-004 in the amount of \$125,600 funded from the Capital Project Fund.

#### Discussion

On February 18, 2020, the City Council authorized a construction contract for the McClellan Ranch Preserve Community Garden Improvement Project (Project) in the amount of \$649,300 with Gradetech, Inc. (Contractor) and the execution of any necessary change orders of up to 10% (\$64,930) of construction contingency for a total authorized amount of \$714,230.

The Project includes the construction of new perimeter fencing, new irrigation, pergola, ADA-accessible raised beds, in-ground plots and space for 98 raised planter beds.

Not included in the project budget was the labor to construct the 98 raised planter beds, filling the beds with topsoil and the placement of mulch along the walking paths. These items were identified as bid alternatives but were not authorized in the budget in order to provide community volunteer opportunities to work alongside City maintenance staff. The unit price submitted by the contractor for the alternatives was \$3,000 per raised planter bed.

A Notice to Proceed was issued to the contractor on March 9, 2020. The first COVID-19 Shelter in Place order (SiP) was issued by the County on March 16, 2020, which included restriction of all non-essential public works construction. When the County eased restrictions in June 2020, public works construction projects were allowed to proceed, and

a new Notice to Proceed was issued with a revised start date of July 14, 2020. With the SiP restrictions remaining in effect, recruiting, scheduling, organizing and managing volunteers to assist with the project was not feasible. The City looked at the option of constructing the planter beds using only City maintenance staff. A cost estimate to complete the work was created based on the staff time necessary to construct the planter beds. These costs were estimated at approximately \$200,000.

The City also requested that the contractor provide an updated proposal to perform this work, similar to what had previously been scoped in the bid alternate (with the exception that the City would provide the lumber and associated materials). The contractor's proposal to complete the work is \$205,600 (Attachment B). Lumber and other materials cost approximately \$100,000, resulting in a total cost of \$3,000+/- per planter bed, which was consistent with the bid alternate pricing previously provided by the contractor.

Staff recommends that the contractor perform this work for the following reasons:

- The cost difference to have the contractor perform the work in lieu of City maintenance staff is negligible.
- Construction of the improvements by City maintenance staff would be in addition to their normal duties and responsibilities.
- The contractor has committed to having the planter boxes completed in time for a Spring opening (weather permitting).
- The contractor would remain responsible for all improvements constructed at the site through completion of the project, reducing potential liability to the City.

#### Sustainability Impact

Supporting community gardens is consistent with the Cupertino Climate Action Plan. Community-wide measure C-G-1-E is to assess opportunities to expand Cupertino's network of community gardens, demonstration gardens and edible schoolyards. Community gardens can provide access to fresh, nutrient-rich produce that localizes the traditional commodity chain, reducing associated transportation emissions and eliminating packaging lifecycle impacts. Community gardens strengthen our environmental legacy, which in turn can transform other climatized emissions reduction activities among those engaged.

#### Fiscal Impact

There is \$90,000 in unencumbered funds available in the project budget (420-99-004). To accommodate this additional work, the project budget will need to be augmented by an additional \$125,600 (\$115,600 for contractor's base proposal, plus \$10,000 as a contingency) funded by available fund balance in the Capital Fund (420). The total of the current funds available plus this additional authorization will enable completion of the project. If approved, the remaining fund balance in the Capital Fund (420) is estimated to be \$34,000. The Capital Reserve Fund (429) has an estimated balance of \$3.1M.

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Roger Lee, Public Works Director

Approved for Submission by: Dianne Thompson, Assistant City Manager

Attachments:

Attachment A – Draft Resolution

Attachment B - Contractor Proposal