



REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: June 29, 2010

SUBJECT: I-5/CR-102 Interchange Improvements, Project No. 97-24; Award
Construction Contract

Report in Brief

On December 1, 2009, Council approved plans and specifications and authorized bid advertisement for the Interstate 5 (I-5) and County Road 102 (CR-102) Interchange Improvements Project (Project No. 97-24). The bid period commenced on April 26, 2010 and three (3) bids were received and opened on June 3, 2010. This project includes widening of CR-102, ramp modifications, and construction of a southbound I-5 on-ramp.

The total remaining project budget is \$10.96 million (this excludes the amount paid for design and right of way). The amount includes a federal earmark, road development funds and developer reimbursements. Because of the low bids that were received, the City is able to award the base bid and additive alternate number two and have funding remaining for the landscape project. The landscaping will be designed and bid separately from the interchange construction. If there is any remaining federal earmark funding after the landscaping is constructed, the City will transfer those funds to the I-5/SR-113 Interchange Project.

Staff recommends that the City Council award the Construction Contract to DeSilva Gates Construction in the amount of \$6,216,895.50. The construction contract award includes the base bid plus additive alternate number two.

Background

The I-5/CR-102 Interchange Improvement Project consists of the construction of the northbound CR 102 to southbound I-5 on-ramp, modifications to the existing southbound loop ramp, modifications to the northbound and southbound off-ramps, widening of CR-102 from two to four lanes between the NB ramp terminal and the SB ramp terminal and widening to six lanes for CR-102 from the SB ramp terminal to Maxwell Avenue. This project is needed to serve regional traffic and traffic growth stemming mainly from development south of the interchange. Construction of portions of this

project is required by the environmental document for the Gateway project. The project has been identified in the current Street Master Plan and Major Projects Financing Plan (MPFP).

This project's landscaping will be designed and bid separately. Landscaping design should begin when the interchange construction begins and landscaping construction should begin when the interchange construction is almost complete. The landscaping was separated out from the interchange work for two main reasons: (1) landscaping requires a three year warranty period, whereas the interchange construction only requires a one year warranty period; (2) The City is able to determine how much funding is remaining to complete landscaping after the interchange bid is awarded.

The landscape project will consist of work on the east and west sides of CR-102 south of the interchange, the CR-102 median south of the interchange and the southwest quadrant of the interchange.

Discussion

On June 3, 2010, the City opened the following bids:

Bidder's Name	Base Bid Amount	Add Alternate 1	Add Alternate 2	Total Bid
DeSilva Gates Construction	\$5,704,325.50	\$277,696.00	\$512,570.00	\$6,494,591.50
Granite Construction	\$5,756,955.00	\$311,021.50	\$559,169.70	\$6,627,146.20
Teichert Construction	\$6,211,915.20	\$311,593.20	\$535,003.75	\$7,058,512.15
Engineer's Estimate	\$7,693,080.00	\$500,734.44	\$858,442.22	\$9,052,256.67

Staff has performed due diligence in reviewing the bids and all bids comply with the technical submittal requirements.

The basis for award was the base bid plus all additive alternates. However, the City has the option of awarding the contract based upon the low bid for the base bid only or any combination of base bid plus additive alternates. After reviewing the bid packages, staff has determined that DeSilva Gates Construction is the lowest, responsive, responsible bidder with a total bid price of \$6,494,591.50. Staff recommends that Council award the base bid plus additive alternate 2 for the bid price of \$6,216,895.50.

Additive alternate 2 consists of building the northbound I-5 off ramp in its final configuration instead of a temporary alignment that is included in the base bid package. This will provide additional traffic capacity in the current project while allowing for the future ramp widening at a significantly reduced cost. If this work is delayed until the next phase of the I-5/CR 102 interchange project, it would be significantly more expensive and it would need to be paid for entirely with City funds (the current project is paid for with 80% federal funds). Additive alternate 1 would have

performed similar work for the southbound I-5 off ramp. Because of higher traffic volumes in the northbound direction, alternative 2 was prioritized above alternative 1.

Staff anticipates construction starting in July 2010 and completion in August 2011. The working time in the contract is 275 working days which excludes weekends, holidays and allows for weather-delay time extensions.

This project also includes Federal requirements that encourage participation by Disadvantaged Business Enterprises (DBE). DBEs are further classified into two categories; Race Neutral and Underrepresented (also known as UDBE). DeSilva Gates Construction has certified that their UDBE participation is 6.1 percent. The bid goal was 6 percent UDBE participation.

Fiscal Impact

The project is fully funded in the current Capital Budget. The remaining project budget (after paying for design and right of way acquisition) is \$10.96 million. The difference between the remaining project budget and the construction contract represents the amount budgeted for construction management, construction contingency, and the future landscape project. The remaining project budget funding is as follows:

Fund	Amount	Ratio
Federal Earmark (Demo-TEA21) Funds	\$8.77 million	80%
Road Development Fund/Developer Reimbursements (required match to federal funds)	\$2.19 million	20%
Total	\$10.96 million	100%

Depending on the progress of the I-5/CR-102 construction project and the cost for the future landscape project, there may be leftover federal funds that would be transferred to the I-5/SR-113 project. If the funding is transferred, then the 20% match would be reduced a commensurate amount.

There is no impact to the General Fund.

Public Contact

Posting of the City Council agenda.

Recommendation for Action

Staff recommends that the City Council award the Construction Contract to DeSilva Gates Construction in the amount of \$6,216,895.50. The construction contract award includes the base bid plus additive alternate number two.

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