



MEETING DATE: 5/15/06  
ITEM NO. 7

COUNCIL AGENDA REPORT

DATE: MAY 3, 2006  
TO: MAYOR AND TOWN COUNCIL  
FROM: DEBRA J. FIGONE, TOWN MANAGER  
SUBJECT: PROJECT NO. 06-07A - AWARD OF CONSTRUCTION CONTRACT FOR

BROADWAY CONCRETE REPLACEMENT

- A. ADOPT RESOLUTION DECLARING JOSEPH J. ALBANESE, INC. TO BE THE LOWEST RESPONSIBLE BIDDER ON THE PROJECT AND AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$35,000.
- B. AUTHORIZE STAFF TO ISSUE CHANGE ORDERS TO THE CONSTRUCTION CONTRACT UP TO AN AMOUNT OF \$5,000

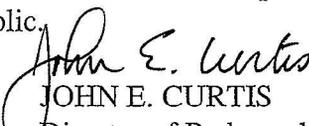
RECOMMENDATION:

- 1. Adopt Resolution (Attachment 1) declaring Joseph J. Albanese, Inc. to be the lowest responsible bidder on the project and awarding a construction contract (Exhibit A) in the amount of \$35,000.
- 2. Authorize staff to issue change orders to the construction contract up to an amount of \$5,000.

BACKGROUND:

The streets in the Almond Grove area are all concrete and are considered historical by Town regulations. Because of this historical designation, these streets can not be paved with asphalt without changing their designation. Nearly all of these streets need to be reconstructed, but due to lack of funding, there has not been any street reconstruction work done in the area. The condition of these streets have deteriorated over the years and minor repairs have been done on an as needed basis.

In addition to the poor condition of the concrete streets, the curb, gutters, and sidewalks have also deteriorated and are falling apart. The curbs, gutters, and sidewalks in Almond Grove were not built like current concrete construction standards and are merely a thin concrete facing to a gravel and dirt base. There are many areas on both the streets and sidewalks, due to uneven surface, holes, and other deformations, that makes it difficult for pedestrians to walk resulting in a number of trip and fall instances for the public.

PREPARED BY:  JOHN E. CURTIS  
Director of Parks and Public Works

Reviewed by: RS Assistant Town Manager OK Attorney \_\_\_\_\_ Clerk Administrator \_\_\_\_\_  
Finance gc Community Development \_\_\_\_\_ Revised: 5/3/06 11:57 am

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MAYOR AND TOWN COUNCIL

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MAY 3, 2006

DISCUSSION:

A section of Broadway Avenue near Santa Cruz Avenue has completely failed (both the base and surface), creating a large sink hole in the middle of the road and sections of loose concrete around it. Staff has surveyed the road and determined that a section of this road, approximately 70' long, needs to be reconstructed and graded to have proper surface and drainage for the road.

For projects under \$75,000 construction costs, the Town's informal bid process does not require public advertising and the preparation of a set of complete plans and specifications for a project. This informal bid process allows staff to prepare a scope of work, solicit bids from four (4) contractors, and award the contract to the lowest bidder. The Town uses this process for small and uncomplicated projects.

Bids for the Broadway Concrete Replacement Project were received by the Town Engineer on May 3, 2006. The following contractors submitted bids for this project:

Joseph J. Albanese, Inc.	\$35,000
CB Construction Company	\$41,480

It is recommended that the Council adopt the attached Resolution that would declare Joseph J. Albanese, Inc. to be the lowest responsible bidder on the project and award a construction contract to this company in the amount of \$35,000. Staff has checked all of the bids received and has determined that Joseph J. Albanese, Inc. is responsible and that its bid is responsive to the Town's informal bid process.

It is recommended that the Council authorize staff to execute future Change Orders to the construction contract up to an amount of \$5,000. Given the variables associated with this type of construction, staff should be able to manage the construction work and the change order amount is adequate to cover the cost of unforeseen circumstances that may arise during the course of construction, and/or for additional quantities of work that may exceed those included in the awarded contract. The construction of this project is anticipated to take place in late May or early June, 2006.

CONCLUSION:

Staff recommends that the Council accept the staff recommendations noted above.

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorical Exempt (Section 15301c). A Notice of Exemption will not be filed.

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MAYOR AND TOWN COUNCIL

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MAY 3, 2006

FISCAL IMPACT:

The reconstruction of this section of Broadway Avenue will be paid from the annual CIP project for repair and replacement curb, gutter, and sidewalk, as there is no other funding for reconstruction of streets in the Almond Grove area. The following chart identifies the funding for this project:

<b>BROADWAY CONCRETE REPLACEMENT PROJECT</b>				
<b>FY 2005/06 Fiscal Impact</b>	<b>Budget Funding</b>	<b>Expended/ Encumbered To Date</b>	<b>Proposed Contract Amount</b>	<b>Remaining Budget If Approved</b>
<b>Project: 400-0349</b>	151,998	95,826	40,000	16,172
<b>TOTALS</b>	<b>151,998</b>	<b>95,826</b>	<b>40,000</b>	<b>16,172</b>
<b>TOTAL EXPENDITURES BY CATEGORY:</b>				
Staff Labor		-		
Materials		-		
Engineering Design		-		
Construction		-	35,000	
Construction Management		-		
Contingency		-	5,000	
<b>TOTALS</b>		<b>-</b>	<b>40,000</b>	

Attachments:

Resolution declaring Joseph J. Albanese, Inc. the lowest responsible bidder (with Exhibit A)  
Construction Contract

**RESOLUTION**

**RESOLUTION OF THE TOWN COUNCIL  
OF THE TOWN OF LOS GATOS  
AWARDING A CONSTRUCTION CONTRACT TO  
JOSEPH J. ALBANESE, INC.  
FOR PROJECT 06-07A - BROADWAY CONCRETE REPLACEMENT**

**WHEREAS**, bids were sought in conformance with State and Town law for Project 06-07A Broadway Concrete Replacement; and

**WHEREAS**, Joseph J. Albanese, Inc. submitted the lowest bid which the Town Council deems to be responsive to the Town's solicitation.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California, that Joseph J. Albanese, Inc. is declared to be the lowest responsible bidder for Project 06-07A - Broadway Concrete Replacement.

**BE IT FURTHER RESOLVED** that the Town Manager is hereby authorized and directed to execute a construction contract (Attached as Exhibit A) for said project on behalf of the Town in the amount of \$35,000.

**BE IT FURTHER RESOLVED**, that staff is authorized to execute future change orders, as necessary, up to an amount of \$5,000.

**PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 15th day of May, 2006, by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS

ABSENT:

ABSTAIN:

SIGNED:       MAYOR OF THE TOWN OF LOS GATOS  
                  LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS  
LOS GATOS, CALIFORNIA

## CONTRACT

**THIS AGREEMENT** is between the **Town of Los Gatos** (hereinafter referred to as "Owner") and **Joseph J. Albanese, Inc.** (hereinafter referred to as "Contractor"). Owner and Contractor, for the consideration hereinafter named, agree as follows:

### A. SCOPE OF WORK

Contractor shall furnish all materials and perform all of the work for the construction of **Project 06-07A - Broadway Concrete Replacement** in accordance with the Contract Documents.

### B. CONTRACT PRICE

As full compensation for furnishing all materials and for doing all the work contemplated and embraced in this Contract, also for all loss or damage arising out of the nature of the work aforesaid, or from the actions of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by Owner, and for all risks of every description connected with the Work, also for all expenses incurred by or in consequence of the suspension or discontinuance of work, and for well and faithfully completing the Work, and the whole thereof, in the manner and according to the Contract Documents, Owner shall pay (**thirty five thousand dollars**), (**\$35,000**), which shall supersede any other amount specified in the Contract Documents.

### C. CONTRACT DOCUMENTS

All rights and obligations of Owner and Contractor are fully set forth and described in the Contract Documents. All parts of the Contract Documents are intended to be correlated so that any work called for in one part and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

### D. BEGINNING OF WORK

Following the execution of this Contract and the approval of bonds and insurance policies and certificates, Owner shall issue a *Notice to Proceed* with the Work. Commencing work or the entrance of equipment or materials on the site of the Work by Contractor before receipt of the *Notice to Proceed* is at the sole risk and expense of Contractor, and the Contractor shall be fully liable for any damage or injury sustained by Owner or third persons resulting therefrom.

### E. TIME OF COMPLETION

The Work called for herein shall be fully completed within **Thirty (30)** working days of Contractor's receipt of the *Notice to Proceed*.

Exhibit A

**F. CORRECTION OF WORK AFTER ACCEPTANCE AND FINAL PAYMENT BY TOWN**

Contractor shall remedy any defects due to faulty materials and/or workmanship and pay for any damages to other work and/or existing facilities resulting therefrom which shall appear within a period of 2 years from the date of recording of the *Notice of Completion*.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

**TOWN OF LOS GATOS, by:**

**by: Joseph J. Albanese, Inc.**

\_\_\_\_\_  
Debra J. Figone  
Town Manager

\_\_\_\_\_  
(Signature)

**RECOMMEND BY:**

\_\_\_\_\_  
**John E. Curtis**  
Director of Parks and Public Works

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Orry P. Korb  
Town Attorney

\_\_\_\_\_  
(Contractor's License Number)

**ATTEST:**

\_\_\_\_\_  
Marlyn Rasmussen  
Clerk Administrator