



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: May 15, 2017

Approved

Date

5/24/17

COUNCIL DISTRICT: 7

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR
8448 – MUNI YARD FENCE REPLACEMENT PROJECT**

RECOMMENDATION

Report on bids and award of contract for the 8448 – Muni Yard Fence Replacement Project to the low bidder, Cal West Fence, in the amount of \$149,316 and approve a 10 percent contingency in the amount of \$14,931.

OUTCOME

Award of the construction contract to Cal West Fence will enable the 8448 – Muni Yard Fence Replacement Project to proceed. Approval of a 10 percent contingency will provide funding for any unanticipated work necessary for the proper completion of the project.

BACKGROUND

The San José Municipal Water System yard located at 3025 Tuers Road, San Jose, CA 95121 is bounded by the Los Lagos Golf Course on the north and west and the Coyote Creek Trail to the south. The eastern side of the property fronts Tuers Road and has an existing chain link fence six-feet in height which spans 800 linear feet. One automatic rolling gate (opened by employee badge or code access) and one manual-open gate provide vehicular access to the non-public areas of the site. The site accommodates approximately 48 full time staff during business hours. Water system operators and/or supervisors are routinely onsite after business hours and on weekends as needed to respond to utility and customer needs.

Site security has been an issue during the past few years, with multiple occurrences of after-hours trespassing resulting in property damage and theft. To improve security, cameras triggered

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by motion sensors were installed in 2013, and are monitored by a security service. Surveillance footage has shown trespassers entering the property by climbing the fence or cutting through the chain links.

Replacing the existing chain link fence with an eight-foot wrought iron fence is expected to improve the security of the yard and increase safety for staff. The heavy-duty fence material is harder to cut through and the non-climb design will better prevent trespassing. The work scope includes the installation of two new automatic vehicle entry gates.

ANALYSIS

The project was advertised for bid and a total of five bids were received and opened on April 6, 2017 with the following results:

<u>Contractor</u>	<u>City</u>	<u>Bid Amount</u>	<u>Variance Over/(Under)</u>	
			<u>Amount</u>	<u>Percent</u>
Cal West Fence	San Martin, CA	\$149,316	(\$684)	(0.5%)
Engineer's Estimate	--	\$150,000	--	--
Golden Bay Fence Iron Works Inc.	Stockton, CA	\$189,483	\$39,483	26.3%
AAA Fence Co., Inc.	Santa Clara, CA	\$205,375	\$55,375	36.9%
Arktos Incorporated	Castro Valley, CA	\$236,001.60	\$86,001.60	57.3%
Bailey Fence Company, Inc.	Hayward, CA	\$247,600	\$97,600	65.1%

Staff recommends that the City Council award the contract to the lowest responsive bidder, Cal West Fence, whose bid has been reviewed, analyzed, and found acceptable. A 10 percent contingency, in accordance with the City's standard policy, is recommended for this project.

EVALUATION AND FOLLOW-UP

No additional follow-up actions with the City Council are expected at this time.

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PUBLIC OUTREACH

To solicit contractors, this project was advertised in the *San José Post Record* and the complete bid package and project information was made available on *BidSync*. This memo will be posted to the City's website for the June 6, 2017 City Council meeting.

COORDINATION

This project has been coordinated with the Finance Department (Risk Management), the City Manager's Budget Office, and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

There is no commission recommendation or input associated with this action.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$149,316
2. COST OF PROJECT:

Project Delivery	\$15,000
Construction	\$149,316
<u>Contingency</u>	<u>\$14,931</u>
Total Project Costs	\$179,247
3. SOURCE OF FUNDING: Water Utility Capital Fund (Fund 500)
4. OPERATING COSTS: Approval of the recommended contract action will have no impact on the Water Utility Fund or General Fund operating budgets.

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BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn. #	Appn. Name	Current Total Appn	Amt. for Contract	2016-2017 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
500	4095	Safety and Security Improvements	\$506,000	\$149,316	V - 220	10/18/2016 Ord. No. 29803

CEQA

Exempt, File No. PP 17-020.

/s/

KERRIE ROMANOW
Director of Environmental Services

For questions, please contact Jeff Provenzano, Deputy Director, Environmental Services Department, at (408) 277-3288.