



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Public Works**

**Meeting Date: December 18, 2023**

Report #:2311-2197

### **TITLE**

Approval of Construction Contract with GradeTech, Inc. in the Amount of \$296,599 and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$29,659 for Site Work for Rinconada Park Improvements (PE-08001) and Ramos Park Restroom Installation (PG-19000) Projects; CEQA status – exempt under CEQA Guidelines Section 15303

### **RECOMMENDATION**

Staff recommends that Council:

1. Approve and authorize the City Manager or their designee to execute construction contract No. C24189510 with GradeTech, Inc. in an amount not-to-exceed \$296,599 for the Site Work for restroom installation under the Rinconada Park Improvements (PE-08001) and Ramos Park Restroom Installation (PG-19000) projects; and
2. Authorize the City Manager or their designee to negotiate and execute change orders to the contract with GradeTech, Inc., the total value of which shall not exceed \$29,659, for related, additional but unforeseen work that may arise.

### **BACKGROUND**

The Rinconada Park Long Range Plan, adopted by Council in 2017, identified the need for a new restroom at the west end of Rinconada Park. A Park Improvement Ordinance<sup>1</sup> was also adopted by Council on January 13, 2020 and second reading<sup>2</sup> on May 1, 2023, describing Phase 1 improvements to Rinconada Park including a new restroom facility.

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<sup>1</sup> City Council, January 13, 2020; Agenda Item #2, SR #10576,  
<https://portal.laserfiche.com/Portal/DocView.aspx?id=64942&repo=r-704298fc&searchid=3a5dc990-c584-4a83-a0df-7f52e90eaba3>

<sup>2</sup> City Council, May 1, 2023; Agenda Item #6; SR #2304-1290,  
<https://portal.laserfiche.com/Portal/DocView.aspx?id=65940&repo=r-704298fc>

On June 22, 2021, Council approved a construction contract<sup>3</sup> for Phase 1 of the Rinconada Park Improvements project (PE-08001), which included park infrastructure, accessibility, and maintenance improvements to the western half of the park. The improvement project was completed in May 2022. However, due to budget constraints and to prioritize improvements, staff removed the new restroom facility from the initial scope of Phase 1 park improvements. This change to Phase 1 was presented to Council on March 1, 2021. Funding for the new restroom was later added to the Rinconada Park Improvements project (PE-08001) for Fiscal Year 2023. The proposed restroom will service the entire park but will be closer to the newly renovated playground and group picnic areas at the west end of the park.

The Park Restroom Installation project (PG-19000) provides funding for installation of one restroom every other year at City parks that currently do not have restroom facilities, have high visitation, and are approximately two acres or larger. The project is funding the installation of a restroom at Ramos Park. The Palo Alto Parks, Trails, Natural Open Space, and Recreation Master Plan (2017) identified Ramos Park as a potential location for a restroom to support the park facilities. A Park Improvement Ordinance<sup>4</sup>, adopted by Council on April 19, 2021, included park improvements and a new restroom facility for Ramos Park.

On April 10, 2023, Council approved a Purchase Order<sup>5</sup> for the purchase of two modular park restroom buildings for Rinconada and Ramos parks. The buildings are currently being fabricated by the restroom vendor, Public Restroom Company, and will be ready for delivery in winter 2024. The site work for the restrooms that will be performed under this construction contract includes site preparation, demolition, utilities, concrete paving, asphalt paving, irrigation, landscape/planting, coordinating with the restroom vendor for delivery and installation of the new modular buildings, and making final utility connections.

## **ANALYSIS**

### **Procurement Process**

On October 20, 2023, an invitation for bids (IFB) for the site work for Rinconada Park Improvements (PE-08001) and Ramos Park Restroom Installation (PG-19000) was posted to the City's OpenGov online procurement system. The bidding period was 24 calendar days. The City received nine bids from qualified contractors on November 13, 2023, as listed on the attached proposal bid summary (Attachment A).

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<sup>3</sup> City Council, June 22, 2021; Agenda Item #1; SR #11269, <https://portal.laserfiche.com/Portal/DocView.aspx?id=64941&repo=r-704298fc&searchid=22bd63f4-6ae4-4f45-964b-7773647c1d17>

<sup>4</sup> City Council, April 19, 2021; Agenda Item #5; SR #12181, <https://portal.laserfiche.com/Portal/DocView.aspx?id=55736&repo=r-704298fc>

<sup>5</sup> City Council, April 10, 2023; Agenda Item #8, SR #2212-0529, <https://portal.laserfiche.com/Portal/DocView.aspx?id=65901&repo=r-704298fc>

Review of the bids included the base bid only. There were no bid alternates for this project. Base bids ranged from \$296,599 to \$594,080 and from 21% below to 58% above the engineer's estimate of \$375,361.

#### SUMMARY OF PROCUREMENT PROCESS

| BID NAME/NUMBER  | RINCONADA AND RAMOS PARK RESTROOM<br>SITE WORK IFB #189510  |
|--|---|
| <i>Proposed Length Of Project</i>                          | 90 calendar days  |
| <i># Of Bid Packages Downloaded Contractors</i>            | 18  |
| <i># Of Bid Packages Downloaded By Builder's Exchanges</i> | 2   |
| <i>Total Days To Respond To Bid</i>                        | 24  |
| <i>Pre-bid Meeting?</i>                                    | Yes (Non-mandatory)   |
| <i># Of Bids Received</i>                                  | 9   |
| <i>Bid Price Range (Base Bid)</i>                          | \$296,598.44 - \$594,080.00   |
| <i>Engineering Estimate (Base Bid)</i>                     | \$375,361   |
| <i>Public Link To Solicitation</i>                         | <a href="https://procurement.opengov.com/portal/palo-alto-ca/projects/65462/document">https://procurement.opengov.com/portal/palo-alto-ca/projects/65462/document</a> |

Staff has reviewed all bids and recommends that the Base Bid of \$296,599 be accepted and that GradeTech, Inc. be declared the lowest responsible bidder. The construction contingency amount of \$29,659, which equals 10% of the contract value, is requested for related, additional, but unforeseen work which may arise during the project, implemented via City-approved change orders.

Staff reviewed information and similar projects performed by GradeTech, Inc. and found them to be the lowest responsive and responsible bidder. Staff also checked with the Contractor's State License Board and confirmed that the contractor has an active license on file.

Staff recommends approval of Contract No. C24189510<sup>6</sup> in the amount of \$296,599 with GradeTech, Inc.

<sup>6</sup> GradeTech, Inc. Construction Contract for the Rinconada and Ramos Park Restroom Site Work Project C24189510; [https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/c24189510-gradetech-inc\\_cc\\_staff-report.pdf](https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/c24189510-gradetech-inc_cc_staff-report.pdf)

**FISCAL/RESOURCE IMPACT**

Funding for this contract is available in the Fiscal Year 2024 Adopted Capital Improvement Program Fund Rinconada Park Improvements (PE-08001) and Park Restroom Installation (PG-19000) projects.

| Table# 1 Funding Source              |           |             |                      |
|--------------------------------------|-----------|-------------|----------------------|
| Funding Source                       | Contract  | Contingency | Total<br>Encumbrance |
| PE-08001 Rinconada Park Improvements | \$170,666 | \$17,066    | \$187,732            |
| PG-19000 Park Restroom Installation  | \$125,933 | \$12,593    | \$138,526            |
| Total                                | \$296,599 | \$29,659    | \$326,258            |

**STAKEHOLDER ENGAGEMENT**

Two community meetings (January and August 2020) and a Parks and Recreation Commission (PRC) meeting (February 2020) were held to obtain input on the Ramos Park Renovation and restroom project. On December 15, 2020, the PRC recommended a Park Improvement Ordinance for Council approval.

Two community meetings (February and April 2019), a PRC meeting (February 2019), and a Youth Advisory Board meeting (March 2019) were held to obtain input on the Rinconada Park Improvement Project including the new restroom. The PRC recommended a Park Improvement Ordinance on May 28, 2019, later revised on September 24, 2019 with the added fire pit area for Council approval.

Community meetings were held for both Rinconada and Ramos Park restroom projects in February 2023 to provide updates to the community on the latest project plans. In March 2023, a minor Architectural Review Board approval was provided for both restrooms. In November 2023, building permits were issued for both restrooms.

**ENVIRONMENTAL REVIEW**

The installation of modular restroom buildings is categorically exempt from California Environmental Quality Act (CEQA) under Section 15303 (New Construction of Small Structures) of the CEQA guidelines.

**ATTACHMENTS**

Attachment A: Bid Summary Table

**APPROVED BY:**

Brad Eggleston, Director Public Works/City Engineer