



TO: Mayor and Councilmembers

FROM: Charles W. Ebeling, Public Works Director

CONTACT: Daniel Virgen Jr, Assistant Engineer

SUBJECT: Hollister Avenue Old Town Interim Striping Project Alternatives

RECOMMENDATION:

That City Council provide staff with direction on selecting an alternative for the Hollister Avenue Old Town Interim Striping Project.

BACKGROUND:

On January 19, 2021, the City Council approved a new Capital Improvement Program (CIP) project titled Hollister Avenue Old Town Interim Striping Project (CIP Project No. 9114) and authorized a \$70,000 budget to initiate preliminary project design and development. The project will restripe Hollister Avenue between Fairview Avenue and Kinman Avenue, reducing travel lanes from two lanes to one lane in each direction. This is intended to provide additional space to increase the on-street parking and install a Class II bike lane. The project's original intent was to to implement parking and multi-modal improvements that originated as part of the Hollister Avenue Complete Streets Corridor Plan Project at a relatively low cost. The improvements can then be studied, evaluated, and refined in preparation for when funding for a permanent streetscape project becomes available. The street concepts contained in the previous Hollister Avenue Complete Streets Corridor Plan were the outcome of an 18-month public outreach program consisting of public surveys, workshops, stakeholder meetings and walking and biking tours of the area.

Agreement No. 2021-030 with Stantec Consulting Services, Inc. (Stantec) in the amount of \$44,980 was approved on May 3, 2021. At that time, Stantec was directed to review previous work efforts and begin initial traffic analysis within and in proximity to the project limits.

On November 2, 2021, the City Council approved Amendment No. 1 for \$114,820 to complete preliminary design, environmental review, public outreach, and prepare construction documents of the selected alternative.

On June 6, 2023, the City Council approved Amendment No. 2 for an additional \$26,000 for additional design scope items needed to complete the construction documents, as well as engineering support services needed during construction. In addition, City Council authorized the City Manager to execute a professional service agreement with MNS Engineering, Inc. to provide construction management and inspection services. The agreement is in a not-to-exceed amount of \$128,512.

DISCUSSION:

Project Description

The Hollister Avenue Old Town Interim Striping Project (Project) is an improvement project that will increase safety, accessibility, and mobility for all users on Hollister Avenue between Kellogg Avenue and Fairview Avenue. The project consists of back-in-angled 90-minute parking, 90-minute parking restrictions, traffic signal upgrades, striping, and pavement delineation improvements.

Bidding

On April 4, 2023, the City Council approved the plans and specifications for the project and authorized staff to call for bids. The closing date for the bids was May 25, 2023, and no bids were received for this project.

Public Works staff contacted several Contractors for recommendations to refine the bid documents and project plans. The information gathered from different Contractors resulted in changes in plans and specifications. The Project was posted to rebid on June 29, 2023. Two (2) bids were received on August 10, 2023.

The engineer's estimate and bid are as follows:

Table 1: Bids Results

Engineer's Estimate (EE)	\$1,840,943.75
Granite Construction	\$4,015,848.00
Toro Enterprise	\$4,499,221.25

The engineer's estimate for construction costs was \$1,840,943. Granite was the lowest responsible bidder at \$4,015,848. However, Granite's bid amount was over 118% more than the engineer's estimate. Toro's bid amount was 144% more than the engineer's estimate. Public Works staff typically recommends an award of a project if the bid is within the engineer's estimate plus or minus 20%, Granite's Bid is approximately 5.9 times over that recommended variance amount. A detailed summary of the bids received is included in Attachment 1.

Alternatives

Due to the significant variance between available budget and bid amounts, Public Works staff is seeking direction from City Council to proceed with one of two different alternatives for this Project, alternative A or B.

Alternative A: Reject all bids and rebid the project next year. In preparation to rebid the project, Public Works staff will evaluate the project and determine if any changes are required to make the project more appealing to contractors. In addition, public outreach will be significantly utilized to give the project more exposure to contractors. Public Works staff will evaluate all options to deliver the project closer to the budget.

Alternative B: Award the project to the lowest responsive bidder. However, awarding the project will require an additional appropriation, resulting in reducing \$3.6M from being transferred to the existing CIP projects that are underfunded.

Some of these projects include:

- Ekwill Street & Fowler Road Extensions Project
- San Jose Creek Multipurpose Path Northern and Southern Segments
- Annual Pavement Maintenance

This alternative will cause an increased funding short fall on the above-listed projects. The above listed currently have budget constraints and appropriating funds for this project will create a larger funding gap. If this option is selected, staff will work with Finance to develop a funding strategy and return to Council October 17, 2023, for award of construction contracts.

At the September 19, 2023 City Council meeting, Finance staff provided an update on the General Fund's projected ending unassigned fund balance, which is at approximately \$5.6 million for FY 23/24. Due to higher than anticipated funding gaps with this project and other priority CIP projects, staff are continuing to evaluate funding options and strategies with consideration of all other priority project funding needs. Staff will discuss further with the City Council at a special workshop on October 30, 2023.

It should be noted, as part of evaluating funding sources, if fund balances from the General Fund or other sources are not available, other options include scope reductions, value engineering, reviewing the operating budgets for savings or reductions, interfund loans or contingency fund borrowings, deferring projects, or possible debt financing.

FISCAL IMPACTS:

The total estimated project cost for the Project is \$5,144,041.64. The costs by project component, including funding sources, are shown in Table 2 below.

Table 2: Project Cost Estimates

Project Components	Estimated Costs	Funding Source	Funding Amounts
Staff Time	\$119,636.80	Measure A (205)	\$580,000.00
Conceptual Design	\$38,873.41	Measure A Grant (206)	\$365,315.00
Environmental Review	\$7,772.03	Gas Tax (201)	\$574,000.00
Final Design	\$379,963.20	Unfunded	\$3,624,726.64
Construction	\$4,417,433.00		
CMIT	\$180,363.20		
Total:	\$5,144,041.64	Total:	\$5,144,041.64

Total Estimated Project Cost: \$5,144,041.64

Table 3 below provides the current available project budget.

Table 3: Project Funding

Account	Fund	Projected FY 2022-23 Carryover	FY 2023-24 Budget	YTD Activity/Encumbrances	Available Balance
201-90-9114-57070 (Design)	Gas Tax	\$174,000.00	\$66,153.00	\$128,512.00	\$111,641.00
201-90-9114-57071 (Construction)	Gas Tax	\$0.00	\$333,847.00	\$0.00	\$333,847.00
205-90-9114-57070 (Design)	Measure A	\$90,624.78	\$0.00	\$70,201.48	\$20,423.30
205-90-9114-57071 (Construction)	Measure A	\$15,000.00	\$312,000.00	\$1,300.00	\$325,700.00
206-90-9114-57071 (Construction)	Measure A - Grant	\$365,315.00	\$0.00	\$0.00	\$365,315.00
	Total	\$644,939.78	\$712,000.00	\$200,013.48	\$1,156,926.30

ALTERNATIVES:

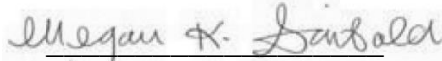
The City Council shall provide direction on the alternatives provided.

Reviewed By:



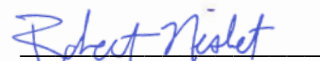
Kristine Schmidt
Assistant City Manager

Legal Review By:



Megan Garibaldi
City Attorney

Approved By:



Robert Nisbet
City Manager

ATTACHMENTS:

1. Bid Results

ATTACHMENT 1

Bid Results

CITY OF GOLETA
Public Works Department
Bid Summary

Project Name: Hollister Avenue Old Town Interim Striping Project
Project NO: 9114
Bid Opening: August 10, 2023 3:00PM

SCHEDULE OF BASE BID ITEMS				Engineers Estimate		Granite		Toro	
ITEM NO.	ITEM	UNIT	ESTIMATED QUANTITY	ITEM PRICE	SUBTOTAL	ITEM PRICE	SUBTOTAL	ITEM PRICE	SUBTOTAL
1	TRAFFIC CONTROL AND MAINTENANCE	LS	1	\$ 40,000.00	40,000.00	\$ 760,811.00	\$ 760,811.00	\$ 127,000.00	\$ 127,000.00
2	PLACEMENT AND MAINTENANCE OF BEST MANAGEMENT PRACTICES (BMP'S)	LS	1	\$ 4,500.00	4,500.00	\$ 9,000.00	\$ 9,000.00	\$ 24,000.00	\$ 24,000.00
3	PORTABLE CHANGEABLE MESSAGE SIGN	EA	4	\$ 2,500.00	10,000.00	\$ 3,000.00	\$ 12,000.00	\$ 6,005.00	\$ 24,020.00
4	PROFILE CROWN AND REMOVE A.C. PAVEMENT (2" MAX)	SY	18,200	\$ 6.00	109,200.00	\$ 12.00	\$ 218,400.00	\$ 3.90	\$ 70,980.00
5	COLD PLANE & REMOVE A.C. PAVEMENT (2.5" MAX.)	SY	19,300	\$ 6.50	125,450.00	\$ 13.00	\$ 250,900.00	\$ 13.40	\$ 258,620.00
6	RHMA OVERLAY (2.5")	TON	2,625	\$ 225.00	590,625.00	\$ 370.00	\$ 971,250.00	\$ 327.25	\$ 859,031.25
7	INSTALL WHEEL STOPS	EA	30	\$ 100.00	3,000.00	\$ 85.00	\$ 2,550.00	\$ 125.00	\$ 3,750.00
8	REMOVE AND PLACE THERMOPLASTIC TRAFFIC STRIPING & MARKINGS & PAVEMENT MARKERS	LS	1	\$ 90,000.00	90,000.00	\$ 48,936.00	\$ 48,936.00	\$ 59,650.00	\$ 59,650.00
9	TRAFFIC SIGNS	LS	1	\$ 86,500.00	86,500.00	\$ 31,451.00	\$ 31,451.00	\$ 17,520.00	\$ 17,520.00
10	METHYL METHACRYLATE MARKINGS - RED	SF	3400	\$ 12.00	40,800.00	\$ 11.25	\$ 38,250.00	\$ 8.50	\$ 28,900.00
11	METHYL METHACRYLATE MARKINGS - GREEN	SF	17200	\$ 12.00	206,400.00	\$ 6.00	\$ 103,200.00	\$ 8.40	\$ 144,480.00
12	PREFORMED THERMOPLASTIC SURFACE SYSTEM	SF	7000	\$ 15.00	105,000.00	\$ 16.50	\$ 115,500.00	\$ 22.90	\$ 160,300.00
13	LANE SEPARATION SYSTEM	EA	160	\$ 300.00	48,000.00	\$ 235.00	\$ 37,600.00	\$ 405.00	\$ 64,800.00
14	ADJUST STORM DRAIN MANHOLES TO GRADE	EA	2	\$ 2,000.00	4,000.00	\$ 2,500.00	\$ 5,000.00	\$ 2,165.00	\$ 4,330.00
15	ADJUST WATER MANHOLES & VALVES TO GRADE	EA	15	\$ 1,500.00	22,500.00	\$ 2,000.00	\$ 30,000.00	\$ 1,170.00	\$ 17,550.00
16	ADJUST SEWER MANHOLES TO GRADE	EA	6	\$ 2,000.00	12,000.00	\$ 3,000.00	\$ 18,000.00	\$ 2,165.00	\$ 12,990.00
17	MODIFY TRAFFIC SIGNALS	LS	1	\$ 265,000.00	265,000.00	\$ 988,000.00	\$ 988,000.00	\$ 2,408,000.00	\$ 2,408,000.00
18	MOBILIZATION	LS	1	\$ 77,968.75	77,968.75	\$ 375,000.00	\$ 375,000.00	\$ 213,300.00	\$ 213,300.00
Total:				\$1,840,943.75		\$4,015,848.00		\$4,499,221.25	