SUBJECT: Approval of Budget Modification No. 17 to Appropriate Additional Funding for Orchard Gardens Neighborhood Traffic Calming Project

BACKGROUND
Capital Project 828500, Orchard Gardens Neighborhood Traffic Calming, created in response to requests from residents of the Orchard Gardens neighborhood, provides for the installation of traffic calming devices, including speed bumps, optical speed bars, median islands, a high visibility crosswalk, and high visibility traffic signs and striping in the area. This project was originally funded in the amount of $50,000 with Community Development Block Grant (CDBG) funds. A budget modification is necessary to appropriate additional CDBG funding to award a construction contract to complete the project.

The project was bid as follows:

Bid Notice: Advertised in The Sun on October 1, 2010; 18 bay area Builders’ Exchanges; Onvia DemandStar public procurement network; and published on the City’s web site.

Bid Response: 9 contractors requested bid documents.

Bid Response: Sealed bids were publicly opened on October 20, 2010
One responsive bid was received.

One responsive bid was received from Galedrige Construction, Inc. in the amount of $61,870. The bid amount is approximately 14% below the engineer’s estimate of $72,000. The total value of the contract, including a project contingency in the amount of $6,187, is $68,057, which is below the Council approval threshold. Should Council approve Budget Modification No. 17, a construction contract will be issued under the City Manager’s award authority.

This project is categorically exempt under CEQA Article 19 Section 15301, Class 1.c
FISCAL IMPACT
Total cost of the project, including a 10% contingency in the amount of $6,187, is $68,057. Capital Project 828500 currently has funding available in the amount of $50,000. The additional required funding is available as a result of higher than expected CDBG program income, as well as savings from completed CDBG projects that did not utilize the total available appropriation. Therefore, it is anticipated FY 2010/2011 reserves will be higher than estimated after FY 2009/2010 ending results are finalized.

BUDGET MODIFICATION NO. 17
FISCAL YEAR 2010/2011

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Increase/Decrease</th>
<th>Revised</th>
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<tbody>
<tr>
<td>Community Development Block Grant Fund/CDBG Sub-Fund</td>
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<tr>
<td>Expenditures:</td>
<td></td>
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<tr>
<td>Project 828500 - Orchard Gardens Traffic Calming Project</td>
<td>$50,000</td>
<td>$18,057</td>
<td>$68,057</td>
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<td>Reserves:</td>
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<td>20 Year RAP</td>
<td>$25,314</td>
<td>($18,057)</td>
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PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City’s Web site.

RECOMMENDATION
Staff recommends Council approve Budget Modification No. 17 for additional funding for construction of the Orchard Gardens Neighborhood Traffic Calming project, which will be awarded under the City Manager’s award authority.
Reviewed by:

Grace K. Leung, Acting Director, Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Marvin Rose, Director of Public Works

Approved by:

Gary M. Luebbers
City Manager