



**REPORT TO THE CITY COUNCIL AND  
REDEVELOPMENT AGENCY**

AGENDA ITEM NO. 3:15 pm "A"

AGENCY MEETING 2-27-07

February 27, 2007

FROM: Marlene Murphey, Executive Director

BY: Janet Smith, Interim Manager  
Purchasing Division

SUBJECT: CONSIDER TAKING THE FOLLOWING ACTIONS RELATING TO AWARD OF CONTRACT FOR THE RECONSTRUCTION OF ORANGE AVENUE BETWEEN NORTH AVENUE AND FREEWAY 99 WITHIN THE SOUTH FRESNO INDUSTRIAL REVITALIZATION REDEVELOPMENT AREA:

1. THE AGENCY AND COUNCIL JOINTLY ADOPT A RESOLUTION MAKING CERTAIN FINDINGS PURSUANT TO SECTION 33445 OF THE COMMUNITY REDEVELOPMENT LAW, AUTHORIZING THE AGENCY'S INSTALLATION OF PUBLIC IMPROVEMENTS IN ORANGE AVENUE BETWEEN NORTH AVENUE AND FREEWAY 99 WITHIN OF THE SOUTH FRESNO INDUSTRIAL REVITALIZATION REDEVELOPMENT PROJECT AREA
2. IT AWARD A CONTRACT IN THE AMOUNT OF \$584,260.20 TO DAVE CHRISTIAN CONSTRUCTION FOR ORANGE AVENUE RECONSTRUCTION BETWEEN NORTH AVENUE AND FREEWAY 99 WITHIN THE SOUTH FRESNO INDUSTRIAL REVITALIZATION REDEVELOPMENT AREA BID FILE # 2626 (AGENCY)

**RECOMMENDATIONS**

It is recommended that the City Council and Redevelopment Agency award a contract for \$584,260.20 to Dave Christian Construction for Orange Avenue Reconstruction between North Avenue and Freeway 99.

**EXECUTIVE SUMMARY**

This project will provide new improvements on Orange Avenue between North Avenue and Freeway 99. The improvements will include curb, gutter, sidewalks and paving, and the extension of existing, water, sewer and storm drains, street trees and streetlights, and traffic signals at Orange and North Avenues. Funding for this project was allocated in the FY06 budget of the Redevelopment Agency.

The Housing and Community Development Commission, following it's consideration of the award of contract on February 21, 2006, concluded to recommend that City Council and Redevelopment Agency adopt the joint resolution make the findings pursuant to Section 33445 of the CRL and award the contract as recommended by staff.

## **BACKGROUND**

Orange Avenue is proposed to be upgraded from a two lane county road to a four lane collector street in accordance with City standards. Street improvements will consist of curbs, gutters, sidewalks, driveway approaches, and new paving, street trees, street lights and traffic signals. The project will also provide for extensions of existing water and sewer lines and storm drain piping and fire hydrants essential to serving adjoining industrial properties. Providing these public improvements will serve as an incentive for the development of approximately 9.5 acres at the northeast corner of North and Orange Avenue with a wholesale-retail tire business and commercial uses which may include restaurants, a coffee house, a convenience store and gas service. These improvements will also serve existing businesses along the street as well as provide an incentive for the future development of approximately 18 acres on the west side of Orange Avenue just south of Freeway 99.

Specifications were prepared and a Notice Inviting Bids was published in the Business Journal on December 28, 2006, posted on the City's web site and faxed to six building exchanges. The specifications were distributed to twenty-five prospective bidders. Four sealed bid proposals were received and opened in a public bid opening on February 6, 2007. Bid proposal prices ranged from \$584,260.20 to \$870,812.74.

Dave Christian Construction submitted the lowest bid price in the amount of \$ 584,260.20 and is considered the lowest responsive and responsible bidder. The bid is 26 percent below the Engineer's Estimate for this project.

The Council and Agency are asked to consider and adopt a joint resolution (attached) making the requisite 33445 findings in accordance with the California Redevelopment Law and award the contract. The project is to be completed within 90 working days from the date the Notice to Proceed is issued.

Attachment: Evaluation of Bid Proposals  
Joint Council and Agency Resolution  
Aerial Photo

**EVALUATION OF BID PROPOSALS**  
**REDEVELOPMENT AGENCY**

FOR: RDA ORANGE AVE IMPROVEMENTS NORTH AVENUE TO S.H.99

Bid File No.2626  
Bid Opening: 2/6/07

<b><u>BIDDER'S</u></b>	<b><u>TOTAL BID ADD ALT 1</u></b>	<b><u>TOTAL BID ADD ALT 2</u></b>
1. Dave Christian Construction Co. 2233 S Minnewawa Fresno, CA 93727	\$584,260.20	No Bid
2. Henderson Construction 2100 N Winery, #104 Fresno, CA 93703	\$620,915.00	No Bid
3. Yarbs Enterprise 11339 S Peach Fresno, CA 93725	\$624,026.98	No Bid
4. JWT General Engineering 1549 Menlo Clovis, CA 93612	\$624,117.75	\$637,120.25
5. Emmett's Excavation, Inc. 1477 Menlo Ave Clovis, CA 93611	\$659,779.00	No Bid
6. Granite Construction, Co. P.O. Box 50085 Watsonville, CA 95077	\$734,838.00	No Bid
7. Bill Nelson General Engineer. Constr., Inc. 401 W Fallbrook, #104 Fresno, CA 93711	\$740,938.75	No Bid
8. Floyd Johnston Construction Co., Inc. 2301 Herndon Clovis, CA 93611	\$742,884.00	\$742,884.00
9. Bush Engineering, Inc. 518 N Redington Street Hanford, CA 93230	\$826,756.94	\$728,680.94
10. Seal Rite Paving & Grading 959 Clovis Ave Clovis, CA 93612	\$870,812.74	\$870,812.74

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, March 7, 2007, 5:00 P.M.



**COUNCIL RESOLUTION NO. \_\_\_\_\_**  
**REDEVELOPMENT AGENCY RESOLUTION NO. \_\_\_\_\_**

**A JOINT RESOLUTION OF THE COUNCIL AND THE  
REDEVELOPMENT AGENCY OF THE CITY OF FRESNO  
MAKING CERTAIN FINDINGS PURSUANT TO SECTION  
33445 OF THE COMMUNITY REDEVELOPMENT LAW, AND  
AUTHORIZING THE AGENCY'S EXPENDITURE OF TAX  
INCREMENT TO INSTALL PUBLIC IMPROVEMENTS IN  
ORANGE AVENUE BETWEEN NORTH AVENUE AND  
FREEWAY 99 WITHIN OF THE SOUTH FRESNO INDUSTRIAL  
REVITALIZATION REDEVELOPMENT PROJECT AREA**

WHEREAS, on June 29, 1999, the Council of the City of Fresno (the "Council") by Ordinance No. 99-43, adopted the redevelopment plan (the "Plan") for the South Fresno Industrial Revitalization Redevelopment Project (the "Project Area"), pursuant to the Community Redevelopment Law of California (Health & Safety Code Sections 33000 *et seq.*) (the "Law"); and

WHEREAS, the Redevelopment Agency of the City of Fresno (the "Agency") is engaged in activities necessary to carry out the Plan, and the Plan authorizes the Agency to: (i) install, construct or reconstruct public improvements or facilities to eliminate blight, (ii) cause or provide for installing or constructing utilities and other public improvements necessary to carry out the Plan, and (iii) specifically includes traffic signal and safety lighting system improvements associated with plan implementation; and

WHEREAS, on January 11, 2005, the Agency adopted Resolution 1657, approving the Five-Year Implementation Plan for four project areas including the Project Area (the "Implementation Plan"); and

WHEREAS, the Implementation Plan, to help eliminate physical and economic blighting influences, includes a redevelopment program to facilitate private reinvestment in the Project Area by installing public facilities and infrastructure, and improving the traffic flow and public safety within the Project Area; and

WHEREAS, June 29, 1999, by Council Resolution No. 99-45 and Agency Resolution No. 1657, relating to the Plan, Council adopted a Program Environmental Impact Report that addressed, among other things, the development of new public improvements pursuant to the Plan, and demolition of existing improvements; and

WHEREAS, the proposed public improvements to Orange Avenue (curb, gutter, sidewalks and paving, and the extension of existing, water, sewer and storm drains, street trees, streetlights, and traffic signals at Orange and North Avenues) will improve traffic flow, increase public safety, and encourage and support the retention and expansion of existing businesses and the development of new businesses within the project area (the "Project"); and

WHEREAS, the inability of the City to undertake this Project without the involvement of the Agency relates to the limited funding ability of the City's General Fund, to the City's budget constraints interrelated with the State budget constraints, and scarce City funds directed toward the "No Neighborhood Left Behind" initiative ("NNLB"); and

WHEREAS, NNLB focuses on constructing and repairing critical infrastructure in 71 neighborhoods where little or no infrastructure currently exists, and in some places

has never existed; and

WHEREAS, February 21, 2007, in a regular meeting, the Housing and Community Development Commission ("HCDC") considered whether to recommend adopting this resolution, and awarding the construction contract for the Project, and voted to recommend that the Agency adopt the resolution and award a contract for \$584,260.20 to Dave Christian Construction, for the reconstruction of Orange Avenue between North and Freeway 99 Bypass; and

WHEREAS, the Agency's adopted FY 07 Budget appropriates funds to construct the Project and funds are currently available for the construction; and

WHEREAS, pursuant to Section 33445 of the Redevelopment Law the Agency, with the consent of the Council and upon certain Council determinations, may pay for the cost to install and construct publicly owned improvements within and outside the Project Area; and

WHEREAS, the Agency and Council, after due consideration, believe that the Agency's cost, which was estimated at \$788,967, to construct the Project, is in the best interests of the City and health, safety, and welfare of employees, businesses, property, and visitors to the Project Area, and is consistent with the public purposes and provisions of applicable state and local laws; and will improve the quality of life for residents, visitors to, and businesses and properties within the Project Area, consistent with the Plan; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council and the Agency of the City of Fresno as follows:

1. Based upon substantial evidence provided in the record before it, the Council and the Agency find and determine the following:

**Finding No. 1.1:** The Project is within the Project Area and will help improve the traffic circulation and the visual quality of the Project Area within and near the proposed Project, and is necessary to achieve the purposes of traffic safety and redevelopment goals and objectives, and is consistent with the Plan, and will benefit the Project Area.

**Finding No. 1.2:** The street and public utility improvements will help eliminate blight within the immediate vicinity of the Project, and the overall Project Area, by increasing efficient traffic flow, improving traffic safety, enhancing the area for private investment, and upgrading and improving the image of the Area.

**Finding No. 1.3:** The Project is consistent with the Implementation Plan.

**Finding No. 1.4:** Using tax increment for the Project is essential and necessary, as no other reasonable means of financing the Project are available to the City of Fresno.

2. The Council consents to the Agency expending tax increment to construct the Project, and consents to the Agency award of a contract for the Project.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA )  
COUNTY OF FRESNO )  
CITY OF FRESNO )

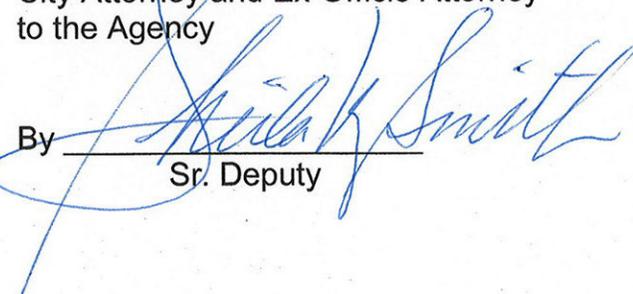
I, REBECCA E. KLISCH, City Clerk of the City of Fresno and Ex-Officio Clerk of the Redevelopment Agency of the City of Fresno, certify that the City Council of the City of Fresno and the Redevelopment Agency of the City of Fresno, California, adopted the foregoing resolution at a joint public meeting held on the 27th day of February, 2007, and that the same was passed by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

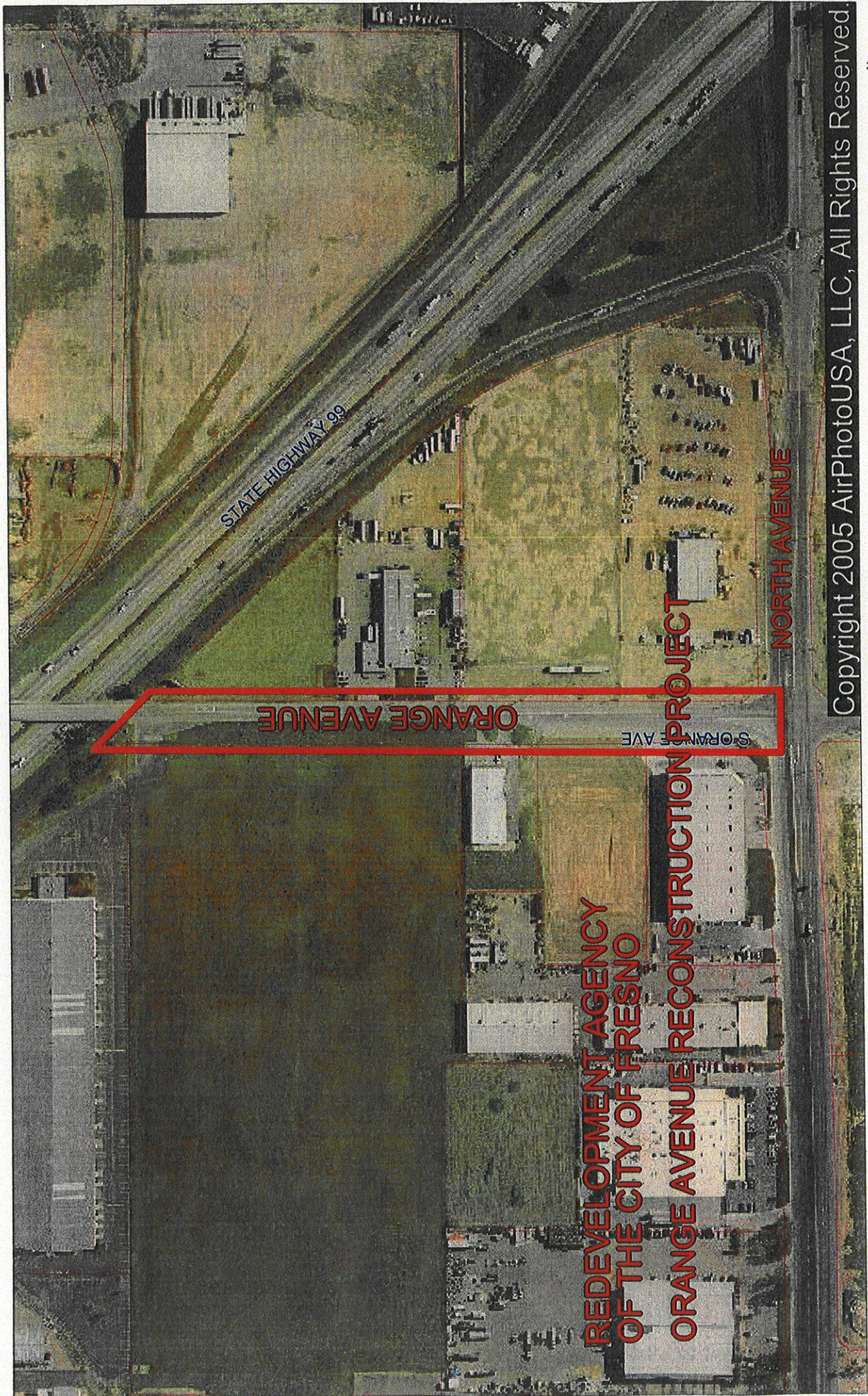
REBECCA E. KLISCH  
City Clerk and Ex-Officio Clerk  
of the Agency

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
JAMES C. SANCHEZ  
City Attorney and Ex-Officio Attorney  
to the Agency

By  \_\_\_\_\_  
Sr. Deputy





ORANGE AVENUE

STATE HIGHWAY 99

NORTH AVENUE

REDEVELOPMENT AGENCY  
OF THE CITY OF FRESNO  
ORANGE AVENUE RECONSTRUCTION PROJECT

S ORANGE AVE

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