



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 17-0408, Version: 1

REPORT TO COUNCIL

SUBJECT

Award of Bid No. PW17-18 for the Pavement Rehabilitation 2016 Project Re-Bid, Determination of Bid Non-responsiveness, and Finding of California Environmental Quality Act (CEQA) Categorical Exemption

REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$2,225,955 to Interstate Grading & Paving, Inc. of South San Francisco for pavement rehabilitation. Approval is also requested for a 10% construction contingency in the amount of \$222,596.

EXISTING POLICY

Section 1309 of the City Charter requires public works construction contract to awarded to the lowest responsive and responsible bidder.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) determination for the project is a categorical exemption pursuant to CEQA Guidelines Section 15301(c), for the restoring and rehabilitating of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities.

BACKGROUND AND DISCUSSION

Capital Project 825290 (Pavement Rehabilitation) provides funding for ongoing roadway infrastructure rehabilitation. Each year, staff surveys one half of the City's street and inputs the data in the City's pavement management system. The system produces a list of deteriorated streets and plans are made to repair, slurry seal, double chip seal overlay, or reconstruct the streets as needed. This project includes 2.3 million square feet of City streets (equivalent to about 7 miles of affected roadway) in need of reconstruction/rehabilitation identified from the survey.

An Invitation for Bids for this project was initially advertised on September 7, 2016, with three bids received. On October 25, 2016, Council rejected all bids (RTC No. 16-0934). The lowest bid was determined to be non-responsive and the other two bids were substantially higher than the engineer's estimate (the lowest responsive bid was approximately \$2.8 million and the available funding was approximately \$1.9 million).

With the bids coming in substantially higher, staff worked with the design consultant to make minor changes to the specifications to potentially result in lower bid pricing with the re-bid project. Simultaneously, staff was proceeding with the initial design phase for the 2017 pavement rehabilitation project and concluded with the design engineer that one segment of roadway could be eliminated from the project due to its existing good condition, leading to a modification in the work scope and anticipated reduction in future construction costs. This change in programming for the

2017 project facilitated additional funding availability for this project.

The re-bid was re-advertised for competitive bidding on February 24, 2017, with ten general contractors requesting bid documents. Sealed bids were opened on March 15, 2017, with six bids being received. The bid summary is contained in Attachment 1. The lowest responsive and responsible bid was submitted by Interstate Grading & Paving in the amount of \$2,225,955.

The fourth lowest bid was received from G. Bortolotto & Co. of San Carlos, in the amount of \$2,539,539. This bid is considered non-responsive because the bidder did not submit the bid on the required bid form. For this reason, staff recommends that Council determine the bid to be non-responsive.

FISCAL IMPACT

Project costs include the base bid of \$2,225,955 and a recommended 10% contingency in the amount of \$222,595, for a total of \$2,448,551.

Funding Source

Budgeted funds are available in Capital Project 825290 (Pavement Rehabilitation), funded in the Infrastructure Renovation and Replacement Fund by General Fund, SB83 VRF Road Improvement Fund, and Gas Tax Fund sources. The sewer (831680) and water (831550) funds will pay for adjusting the manholes and other utility infrastructure affected by the project.

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 website.

RECOMMENDATION

1) Make a finding of a California Environmental Quality Act (CEQA) categorical exemption pursuant to CEQA Guidelines Section 15301 for the restoration or rehabilitation of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails; 2) Award a contract in substantially the same form as Attachment 2 to the report and in the amount of \$2,225,955 to Interstate Grading & Paving Inc., and authorize the City Manager to execute the contract when all necessary conditions have been met; 3) approve a 10% construction contingency in the amount of \$225,596, and 4) make a determination that the bid received from G. Bortolotto & Co. is non-responsive.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Manuel Pineda, Director of Public Works

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Bid Summary

2. Draft General Construction Contract