



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0589, Version: 1

REPORT TO COUNCIL

SUBJECT

Reject All Bids Received for the Maude Avenue Bikeway and Streetscape Project (PW18-06)

REPORT IN BRIEF

Approval is requested to reject all bids received in response to Invitation for Bids PW18-06 for the Maude Avenue Bikeway and Streetscape Project. The bids exceed the available budget.

EXISTING POLICY

Section 2.09.140(b) of the Municipal Code permits the City Council to reject bids or proposals received in response to formal competitive bid solicitations. This Code section also provides that "if all bids are rejected, the City has the discretion to re-advertise."

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Capital Project 831120, Maude Avenue Bikeways and Streetscape Project, was created to install bike lanes along Maude Avenue, from Fair Oaks Avenue to North Mathilda Avenue. It includes a test pilot project for bike lanes from Mathilda Avenue to Borregas Avenue. Improvements at the Sunnyvale Avenue intersection include removal of the existing pork chop islands, elimination of a northbound to eastbound free right turn lane and installation of new crosswalks. Vehicle and pedestrian detection system installation at select locations, ADA upgrades and minor pavement improvements are also part of the scope of this project.

The design was completed by Kimley-Horn and Associates and the test pilot program of the bike lanes has since been successfully implemented. An Invitation for Bids was issued on April 6, 2018. Two bids were received in the amounts of \$1,551,268 from Redgwick Construction Company and \$1,675,918, from Golden Bay Construction Inc. as detailed in Attachment 1. The low bid is 18% higher than the engineer's estimate.

The low bid, plus a 10% contingency, exceed the available funds for this project. Although recent re-bid trends do not necessarily result in lower bids, rejecting the bids will allow staff an opportunity to reevaluate the project to lower the costs. Staff proposes to rebid the project with the goal of remaining within the construction budget.

FISCAL IMPACT

No fiscal impact results from rejecting the bids. If bid pricing remains high when staff re-bids the project, a Budget Modification may be necessary if the total cost exceeds the available budget.

Funding Source

Funding for design and construction is budgeted in Capital Project 831120, Maude Avenue Bikeways and Streetscapes. A Federal grant in the amount of \$918,100 will provide funding for the construction portion of the project and will be recognized and appropriated with the award of construction. Should construction funding be insufficient, staff will return with an additional budget modification at that time. It is also expected that additional funds for design and preparation of re-bid documents will be requested from the traffic impact fee fund.

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

Reject all bids received in response to Invitation for Bids PW18-06 for the Maude Avenue Bikeway and Streetscape Project.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary