



DATE: July 16, 2019

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT Adopt a Resolution to Reject all Bids for the Installation of Trash Capture Infrastructure on Arf Avenue

RECOMMENDATION

That Council adopts a resolution (Attachment II) rejecting all bids for the installation of trash capture infrastructure on Arf Avenue.

SUMMARY

Only two bids were received at the bid opening and both are significantly more than the Engineer's Estimate for the project. Staff anticipates re-advertising the project later this year will yield better results. This project will involve the installation of trash capture infrastructure in the existing storm drain box culvert on Arf Avenue, near its intersection with Pueblo Spring, which would help remove trash from the City's storm water system.

BACKGROUND

In December 2015, the Water Board adopted the current Municipal Regional Stormwater Permit (MRP 2.0) requirements to regulate storm water discharge from its permittees, which include municipalities and local agencies in Alameda, Contra Costa, San Mateo, and Santa Clara Counties, as well as the cities of Fairfield, Suisun, and Vallejo. Under the MRP 2.0, permittees are required to reduce trash entering state waters from their respective Municipal Separate Storm Sewer Systems (MS4s) by 100% by 2022.

In January 2015, the EPA awarded the City \$800,000 to fund the Hayward Youth-Based Trash Capture, Reduction, and Watershed Education Project. The four-year project includes a school curriculum for first through twelfth grade students to educate them about watersheds, pollution, and engineered trash reduction facilities like CDS units.

The City currently has two existing CDS units and both were manufactured by Contech. One is at the intersection of Tyrell Avenue and West Tennyson Road, installed in 2012 and one is on Patrick Avenue, installed in 2017. A video of the Patrick Avenue installation, completed as part of the EPA grant project, is available on the City's website¹.

¹ <https://www.hayward-ca.gov/youth-trash-capture>

Construction of the Arf Avenue CDS project would entail the removal of one tree, temporary shutdown of an overhead power line, excavation adjacent to the roadway, installing the diversion box and two CDS units, backfilling the area, and repairing the area to pre-construction conditions. On May 21, 2019², Council approved the plans and specifications and called for bids to be received on July 2, 2019. On June 4, 2019³, Council approved a change in the submittal deadline for bids from July 2, 2019 to June 25, 2019.

DISCUSSION

On June 25, 2019, the City received two bids. Bay Construction Co. submitted the lower bid in the amount of \$750,000, which is 66.7% higher than the Engineer's Estimate of \$450,000. JMB Construction Inc. submitted the second lowest bid in the amount of \$993,000, which is 120.7% higher than the Engineer's Estimate.

Upon review of the bids received, staff determined it would be in the best interest of the City to reject all bids and re-advertise the project at a later date. Below are the main reasons for staff's recommendation:

1. Too Few Bidders – There were only two bids received. The timing of the call for bids, which was in the height of the construction season with contractors working in the field, may have contributed to the low response. Also, contractors had only three weeks to prepare bids. Staff anticipates that re-advertising the project later in the year with a longer bid period should yield more bids.
2. Unexpected High Bid Line Item – In the low bid, the line item for “Trenching and Backfilling” was approximately 375% higher than the Engineer's Estimate of \$80,000. Staff intends to complete a geotechnical investigation to provide more information regarding the soil type, which should provide more certainty for bidding firms to design the shoring and estimate trenching costs.
3. Potential Cost Saving – There is an overhead power line about 50 feet above the proposed CDS units, which may pose a safety concern to contractors. Staff is currently coordinating with PG&E for a temporary power shutdown. There may be significant cost savings for the Contractor if they can install the CDS units without the concern of working under an energized overhead power line.

ECONOMIC IMPACT

There is no direct economic impact associated with this item.

FISCAL IMPACT

Staff anticipates that rebidding the project later this fall or winter should yield better results.

² <https://hayward.legistar.com/LegislationDetail.aspx?ID=3952685&GUID=E2BF303C-279B-4FB8-ABD4-2E160F10DC07&Options=&Search=>

³ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3969941&GUID=B5C39527-0140-4ABD-9476-F834CE046941&Options=&Search=>

STRATEGIC INITIATIVES

This item is a routine operational item and does not directly relate to one of the Council's three Strategic Initiatives.

SUSTAINABILITY FEATURES

The CDS units, along with the existing trash capture devices in the City's storm drain system, will help to limit the pollutants that enter local creeks and the San Francisco Bay.

PUBLIC CONTACT

On June 18, 2019, an early notice was mailed out to the Glen Eden Garden Home Association to notify the project will be encroach onto their property. Prior to and during construction, further notices will be provided to affected residents and property owners to inform them of the nature and purpose of the work, potential impacts, work schedule, and City contact for additional information. In addition, staff will work closely with residents in the vicinity of the project to minimize potential impacts.

NEXT STEPS

If Council adopts the attached resolution, staff will send a formal rejection notice to both bidders. Staff will continue to work with the Alameda County Flood Control and Water Conservation District (ACFC) to secure an Encroachment Permit. Staff will also prepare a geotechnical investigation, work with PG&E to address safety concerns of the overhead power line and return to Council with a new call for bids, later this year.

Prepared by: Elisa Wilfong, Water Pollution Control Administrator
Terence Lai, Associate Civil Engineer

Reviewed by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager