



DATE: June 5, 2018

TO: Mayor and City Council

FROM: Interim Director of Public Works

SUBJECT: New Sidewalks FY17: Walpert Street (Fletcher Lane to Second Street),
Project No. 05258 & 05259 – Rejection of All Bids

RECOMMENDATION

That Council adopts the attached resolution rejecting all bids.

SUMMARY

The City received bids for the Walpert Street sidewalk project containing cost estimates that were significantly higher than internal engineer's estimates. Staff requests that Council reject all bids received and combine the project with other sidewalk projects to increase contractors interest with the goal of receiving lower bids.

BACKGROUND

Walpert Street was identified as needing new sidewalk construction and repairs to existing sidewalk segments to further the City's goal of providing safe and continuous pedestrian access. Additionally, the City received requests from residents in the neighborhood for sidewalk improvements at this location. This project is particularly important because students currently get to and from nearby Hayward High School via Walpert Street. On March 20, 2018, Council approved the plans and specifications for this project and called for bids to be received on April 17, 2018. A location map depicting work limits is attached.

The Walpert Street project aims to provide continuous sidewalk on both the north and south sides of Walpert Street from Fletcher Lane to Second Street. The project adds 0.35 miles of new sidewalk to the City's inventory, which totals approximately 460 miles, and repairs approximately 21,500 square feet of roadway pavement adjacent to the new sidewalks.

Approximately 450 lineal feet of existing asphalt sidewalk on the south side of Walpert Street will be reconstructed as a condition set by the City to the proposed Parkside Heights residential development at the southeast corner of Walpert Street and Second Street. Existing non-ADA-compliant curb ramps will be removed and reconstructed to comply with current ADA requirements.

DISCUSSION

The City had been notified of seven intents to bid, however, on April 17, 2018, only two bids were received, one at \$957,485 and the other at \$1,057,870. These bids were much higher than expected. Kerex Engineering Inc., of Pleasant Hill, California, submitted the low bid of \$957,485, which is 52.9% above the engineer's estimate of \$626,410. Sposeto Engineering Inc., of Livermore, California, submitted the second low bid in the amount of \$1,057,870, which is 68.9% above the engineer's estimate.

High bid amounts were due in part to an abundance of ongoing regional construction projects. As a result, potential bidders were unable to submit bids in time. To obtain more favorable construction unit prices and reductions in overall cost, staff recommends rejecting all bids and combining this project (New Sidewalks FY17) with the New Sidewalks FY18 and FY19 projects, which are currently in the street selection and design phase to potentially benefit from economies of scale.

ECONOMIC IMPACT

These projects are fully funded by the City's Capital Improvement Program without any additional contributions from the public.

FISCAL IMPACT

Rejecting the submitted bids will not have a direct fiscal impact. It will, however, position the City to combine construction projects and re-bid them at a more convenient time for contractors, which staff predicts will result in bids that will be closer to the initial engineering cost estimates.

New Sidewalks Budget Appropriations (FY17 - FY19)					
		FY17	FY18	FY19	Totals:
Measure B - (Pedestrian and Bicycle)	Fund 216	\$480,000	\$430,000	\$420,000	\$1,330,000
Measure BB - (Pedestrian and Bicycle)	Fund 213	\$495,000	\$365,000	\$350,000	\$1,210,000
Totals:		\$975,000	\$795,000	\$770,000	\$2,540,000

The budgets from New Sidewalks FY17-FY19 total \$2,540,000. The project is currently still in the design phase.

STRATEGIC INITIATIVES

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

SUSTAINABILITY FEATURES

The action taken for this report will not result in a physical development, purchase or service, or a new policy or legislation. Any physical work will depend upon future Council action.

PUBLIC CONTACT

If Council adopts the attached resolution, staff will send letters notifying Kerex Engineering Inc., and Sposeto Engineering Inc., that their bids were rejected.

NEXT STEPS

The proposed combined project tentative schedule is as follows:

Prepare Construction Bid Documents	June 2018
Advertise for Construction Bids	November 2018
Award Construction Contract	January 2019
Begin Construction	February 2019
Complete Construction	June 2019

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Approved by:



Kelly McAdoo, City Manager