



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 23-401, **Version:** 1

DATE: June 27, 2023

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Adopt Resolutions Rejecting All Bids for the La Vista Park Project and Approving Plans and Specifications and Call for Bids for the La Vista Park - Keyways Grading Project, Project No. 06914, and Authorizing the City Manager to Execute Amendment No. 2 to the Professional Services Agreement with SurfaceDesign, Inc.

RECOMMENDATION

That Council adopts resolutions (Attachment II, Attachment III, and Attachment IV):

1. Rejecting all bids for the La Vista Park Project, Project No. 06914 (Attachment II)
2. Approving Plans and Specifications and Calling for Bids to be received on August 22, 2023, for the La Vista Park - Keyways Grading Project, Project No. 06914 (Attachment III)
3. Authorizing the City Manager to execute Amendment No. 2 to the Professional Services Agreement with SurfaceDesign, Inc., to increase their contract amount by \$118,000, for a total not-to-exceed amount of \$755,975 (Attachment IV)

SUMMARY

On June 6, 2023, three (3) bids were received for the La Vista Park Project ranging from \$41,927,606 to \$47,323,996 for base bid items. DeSilva Gates Construction LLC submitted the low bid in the amount of \$41,927,606, which is 64.8% above the engineer's estimate of \$25,438,301.

Staff recommends rejecting all bids and approving the plans and specification and call for bids for the La Vista Park - Keyway Grading Project. Staff will reevaluate the scope of the La Vista Park Project for future bidding possibilities.

The La Vista Park - Keyways Grading Project will remove and replace weak existing landslide areas with stronger backfill based on recommendations from the geotechnical report prepared by Langan, geotechnical consultant hired by the City, to provide a strong and stable ground for the future construction of park improvements and future development in the former Route 238 Caltrans property, Parcel Group 3. This project will expedite the construction of the keyways and allow work to begin on the Parcel Group 3 housing development while the overall park scope is reevaluated.

The adopted FY23 CIP budget includes a total project budget appropriation of \$23.27 million (Fund 405) for the design and construction of La Vista Park, including the proposed keyway slope stabilization

improvements portion of the La Vista Park - Keyways Grading Project.

From the bids received for the La Vista Park Project, the estimated cost range to construct the La Vista Park - Keyways Grading Project is from \$9.2M to \$16.0M with the average at \$11.9M. This cost range was not a stand-alone item cost and costs for a stand-alone project may be higher. With the average cost estimate for the Keyway Grading only project at approximately \$12M, \$11.27 would be the remaining funding for future construction of the La Vista Park.

The project California Environmental Quality Act (CEQA) addendum analysis for La Vista Park was completed and presented to the City Council on September 28, 2021 with no further action required per adopted Resolution 21-195.

On November 15, 2016, Council passed a resolution authorizing a Community Workforce Agreement (CWA) with the Alameda County Building Trades Council (BTC), which applies to City projects with construction costs of \$1,000,000 or more. The agreement requires contractors to use local union hiring halls, encourages contractors to employ Hayward residents or Hayward Unified School District graduates, and requires hired workers to pay union dues and other benefit trust fund contributions, etc. Because the construction cost estimate for the La Vista Park - Keyways Grading project is more than \$1,000,000, the CWA agreement applies to this project.

ATTACHMENTS

Attachment I Staff Report

Attachment II Resolution - Bid Rejection

Attachment III Resolution - Approving Plans, Specs & Call for Bids

Attachment IV Resolution - Amendment to PSA with SDI