



CITY OF HAYWARD

Hayward City Hall
777 B Street
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Cover Memo

File #: CONS 21-287, **Version:** 1

DATE: June 1, 2021

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Adopt a Resolution Awarding a Contract to Teichert Construction for the FY21 Pavement Improvement Project, Project No. 05227, 05236, 05238, 05295, 05297, in the Amount of \$10,538,547, and Approving an Administrative Change Order Budget in the Amount of \$861,453

RECOMMENDATION

That the Council approves Addendums No. 1 & 2 consisting of revisions to the plans and specification for the FY21 Pavement Improvement Project (PIP) and adopts the attached resolution (Attachment II) awarding the contract to Teichert Construction in the amount of \$10,538,547, and approving an administrative change order budget in the amount of \$861,453.

SUMMARY

The FY21 PIP calls for the rehabilitation of sixty-eight street sections and preventive maintenance of twenty-two street sections, for a total of ninety street sections (Attachment III). The proposed improvements will repair failed pavement sections and improve street surfaces.

On March 23, 2021, five (5) bids were received for the FY21 PIP. Granite Construction, of Santa Clara, submitted the lowest bid in the amount of \$11,132,333, which was 5.0% higher than the Engineer's Estimate of \$10,600,000. The City was informed by the second lowest bidder that the low bidder did not list the Department of Industrial Relations (DIR) registration numbers for the listed subcontractors on the bid form. On April 20, 2021, Council approved rejection of all bids and approved revised plans and specifications, and call for bids for the FY21 PIP.

On May 11, 2021, the project received four (4) bids. All but one bid was over the engineer's estimate. At \$10,538,547, the low bid received is \$61,453 or 0.6% below the engineer's estimate of \$10,600,000 and provides an opportunity to add other street sections to take advantage of the reasonable unit prices and available budget, including cost savings from last year's paving project, FY20 PIP.

Staff recommends award of contract to the responsible low bidder, Teichert Construction, in the amount of \$10,538,547, and authorizing a potential administrative change order budget of \$861,453 to be used at the discretion of the Public Works Director to add additional street segments to the project.

The total project budget of \$12,050,000 is funded via the Gas Tax, Measure B, Measure BB, Vehicle Registration Fees, and anticipated Road Repair and Accountability Act (RRAA) (SB1) funds.

ATTACHMENTS

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| Attachment I | Staff Report |
| Attachment II | Resolution |
| Attachment III | List of Approved Streets |
| Attachment IV | Project Location Map |