



DATE: August 18, 2026

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Approving Addendum No. 1, Awarding a Construction Contract to QLM, Inc., for the Fiscal Year 2026 Sidewalk Rehabilitation and Wheelchair Ramps Project, Project No. 05348 in the Amount of \$823,397, and Approving \$100,000 in Administrative Construction Contingencies

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) approving Addendum 1, awarding a construction contract to the low bidder, QLM, Inc., of San Jose, in the amount of \$823,397 for the FY26 Sidewalk Rehabilitation and Wheelchair Ramps Project in Districts 1 and 8, and approving \$100,000 in administrative construction contingencies.

SUMMARY

On July 7th, 2026, the City received nine (9) bids for the project ranging from \$823,397 to \$1,219,000. QLM, Inc., of San Jose submitted the lowest bid of \$823,397, which is 3.6% lower than the Engineer's Estimate of \$854,000. Spektren Engineering, Inc., of Gilroy submitted the second lowest bid in the amount of \$886,487, which is 3.8% above the Engineer's Estimate. Staff are recommending that a construction contract be awarded to QLM, Inc., in the amount of \$823,397.

FISCAL IMPACT

This item does not impact the General Fund or Measure C.

The adopted FY27 Capital Improvement Program (CIP) includes an original budget of \$1,000,000 for the FY26 Sidewalk Rehabilitation and Wheelchair Ramps Project, Project No. 05348, in the Street System Improvements Fund (Fund 450). An additional \$154,000 is available as part of the \$600,000 award of Transportation Development Act (TDA) Article 3 Funding through the Metropolitan Transportation Commission, as approved at the June 2, 2026, City Council meeting. Reimbursement from property owners for the sidewalk rehabilitation is estimated to be approximately \$100,000.

The breakdown for the project costs is as follows:

Contract Construction	\$823,397
Trip Hazard Removal (under a separate contract)	\$40,000
Design and Administration	\$90,000
Construction Survey, Inspection, and Testing	\$100,603
Administrative Change Orders	\$100,000
TOTAL	\$1,154,000

The revised funding source are as follows:

Street System Improvements Fund (Fund 450)	\$1,000,000
Gas Tax Fund (Fund 210)	\$154,000
TOTAL	\$1,154,000

BACKGROUND

When the Sidewalk Rehabilitation Program (Program) was initiated, the City was divided into ten districts (Attachment III) to facilitate the selection of sidewalk areas for repairs over a ten-year cycle. Although significant progress was made during the previous cycles, funding was inadequate to complete all the necessary sidewalk repairs in all ten districts. Because there has been significant progress on addressing repair backlogs, recent projects have included two districts. This year, the work will be performed in Districts 1 and 8.

The Program consists of two components; each is performed under a separate construction contract. The first component of the Sidewalk Rehabilitation Program, beginning in January 2027, will remove tripping hazards from sidewalk displacements or offsets up to 1¾ inches. These hazards are removed by saw cutting or grinding each uplifted sidewalk panel across the width of the sidewalk to produce a smooth and uniform surface that meets Americans with Disabilities Act (ADA) slope requirements. Grinding or saw cutting up to 1¾ inches from a short segment of the typical 4" thick sidewalk section is less expensive and more cost effective than the removal and replacement of an entire sidewalk section.

The second component, which is the subject of this report, removes and replaces all sidewalk displacements exceeding 1¾ inches with new concrete. In addition, it includes the repair of offset or raised concrete curb and gutter, tree trimming, root pruning of existing trees, and planting of new trees. In order to minimize damage to City street trees and evaluate the health of any trees that may be impacted by the project, the contractor is required to retain an arborist to examine each street tree adjacent to the work and inspect any root pruning that is part of the project.

DISCUSSION

This year's Project will repair damaged sidewalks in the Downtown Area (District 1) and the Sleepy Hollow Area (District 8). The project includes repair of approximately 16,000 square feet of damaged sidewalk, curb, and gutters, installation of 21 new or upgraded wheelchair ramps in

various locations, tree trimming, root pruning of existing trees, and planting of new trees. As part of the project, the contractor will retain an arborist to examine the condition of existing trees and inspect all root-pruning work. Based on the preliminary inspection, staff anticipate removing 21 trees and planting 27 new trees in various locations. New trees will be planted where street trees are absent, where an existing tree must be removed due to disease or risk of falling, where extensive root pruning may compromise tree health, or where a more suitable tree species will minimize future maintenance efforts. Twenty-one new wheelchair ramps will also be installed or upgraded to bring wheelchair ramps into compliance with current ADA standards.

After the release of the call for bids, an addendum was issued on July 1st, 2026. The addendum included additional work to construct bus boarding islands, pedestrian refuge islands, and eight curb ramps to improve safety and accessibility for people walking and biking. These elements are funded through a portion of a TDA Article 3 Funding request that City Council approved on June 2nd, 2026, and are estimated to cost \$154,000.

On July 7, 2026, nine (9) bids were received. The bids ranged from \$823,397 to \$1,219,000. The low bid was from QLM Inc. of San Jose in the amount of \$823,397, which is 3.6% lower than the Engineer's Estimate of \$854,000. Spektren Engineering, Inc., of Gilroy submitted the second lowest bid in the amount of \$886,487 which is 3.8% above the Engineer's Estimate.

All bid documents and licenses are in order. Staff recommends award of a construction contract to the lowest responsive bidder, QLM, Inc., of San Jose, in the amount of \$823,397.

On November 15, 2016¹, the Council approved a resolution authorizing a Community Workforce Agreement (CWA) with the Alameda County Building Trades Council (BTC), which applied to City projects with construction costs of \$1,000,000 or more. This 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 FY26 Sidewalk Rehabilitation Project is less than \$1,000,000, the CWA agreement does not apply to this project.

This project is categorically exempt for environmental review under the California Environmental Quality Act, Section 15301(c) that covers the operation, repair, maintenance or minor alteration of existing streets, sidewalks, and gutters.

ECONOMIC IMPACT

The project will have a positive impact on the community as it provides safer and more accessible sidewalks and ramps for pedestrians. Dividing the City into 10 districts allows staff to select and recommend districts to ensure the equitable distribution of this service to all City residents and businesses.

STRATEGIC ROADMAP

This agenda item supports the Strategic Roadmap priority to Invest in Infrastructure. It aligns

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=2882111&GUID=118B2EF9-1D2C-471F-999E-4BE0929706A0&Options=&Search=>

with the implementation of the Invest in Multi-Modal Transportation goal by improving pedestrian mobility, which is a key component of a multi-modal network.

SUSTAINABILITY FEATURES

This project requires that all material generated during demolition and construction be sent to designated facilities for recycling. Recycled Portland Cement Concrete will be required for use as aggregate base for the concrete curb, gutter, and sidewalk. The improvements made to the sidewalks will encourage the public to walk more as opposed to driving their vehicles. This reduces both carbon emissions and carbon footprints, which is beneficial for the environment.

PUBLIC CONTACT

Owners of the affected properties have received certified letters regarding the Program. A response form was included with the notice to indicate whether property owners of single-family homes will complete the repairs themselves or pay \$550 to be included in this project. Property owners have the option of paying the \$550 in one lump sum or in twelve monthly installments. The response form also includes a list of trees from which owners may select a replacement tree. Before construction commences, a second notice will be sent to all property owners who did not respond to ensure they are aware of the Program and their available options.

Commercial property owners are responsible for bearing the full cost of construction for repairs adjacent to their properties. Commercial property owners will also be notified of the sidewalk damage fronting their properties and will be given the option of having the repairs completed by the City's hired contractor or completing the repairs themselves.

NEXT STEPS

The estimated schedule for this project is as follows:

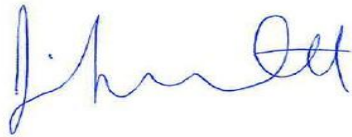
Begin Construction	September 29, 2026
Complete Construction	December 28, 2026

Prepared by: Mir Ali, Assistant Civil Engineer

Reviewed by: Dave Hung, Acting Deputy Director of Public Works - Engineering

Recommended by: Alex Ameri, Director of Public Works

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott". The signature is fluid and cursive, with the first name "Jennifer" and the last name "Ott" clearly distinguishable.

Jennifer Ott, City Manager