

HAYWARD CITY COUNCIL

RESOLUTION NO. 26-\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING ADDENDA NO. 1 AND NO. 2, REJECTING THE BID FROM DEVANEY ENGINEERING, INC., AND AWARDING A CONTRACT TO SUBTERRA CONSTRUCTION, INC., FOR THE FY24 WATER LINE REPLACEMENT PROJECT, PROJECT NO. 07072, IN AN AMOUNT NOT TO EXCEED \$8,665,745

WHEREAS, by Resolution No. 26-017, on March 17, 2026, the City Council approved the plans and specifications for the FY24 Water Line Replacement Project, Project No. 07072, and called for bids to be received on May 5, 2026; and

WHEREAS, Addendum No. 1 and Addendum No. 2 were issued to make minor revisions to the specifications and plans; and

WHEREAS, on May 5, 2026, eleven (11) bids were received ranging from \$7,376,250 to \$15,535,525. The low bid of \$7,376,250, submitted by Devaney Engineering, Inc., is approximately 20.7% below the Engineer's Estimate of \$9,300,000. The second lowest bid of \$7,877,950, submitted by SubTerra Construction, Inc., is approximately 15.3% below the Engineer's Estimate; and

WHEREAS, on May 12, 2026, Devaney Engineering requested to withdraw their bid from consideration due to major clerical errors in the pricing of five bid items in their bid proposal. Staff reviewed the request and determined the bid to be unresponsive.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward that Addendum No. 1 and Addendum No. 2 are hereby approved and adopted as part of the plans and specifications for the project.

BE IT FURTHER RESOLVED that SubTerra Construction, Inc., of San Francisco, CA, is hereby awarded the contract for the FY24 Water Line Replacement Project, Project No. 07072, in accordance with the plans and specifications adopted therefore and on file in the office of the City Clerk of the City of Hayward, at and for the price named and stated in the final proposal of the hereinabove specified bidder, and all other bids are hereby rejected.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute an agreement with SubTerra Construction, Inc., in the name of and for and on behalf of the City of Hayward, in an amount of \$7,877,950 and approving \$787,795 in administrative construction contingency for the project, for a total contract amount not-to-exceed \$8,665,745 in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2026

ADOPTED BY THE FOLLOWING VOTE:

AYES:           COUNCIL MEMBERS:  
                  MAYOR:

NOES:           COUNCIL MEMBERS:

ABSTAIN:       COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
                  City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward