



CITY OF MORGAN HILL

CITY COUNCIL STAFF REPORT

MEETING DATE: June 3, 2020

PREPARED BY: David Gittleson, Associate Engineer
APPROVED BY: City Manager

REJECT BIDS FOR THE EAST MAIN AVENUE BIKE LANES AND SIDEWALK PROJECT AND REBID THE PROJECT WITH MODIFICATIONS

RECOMMENDATION(S)

Reject all bids for the East Main Avenue Bike Lanes and Sidewalk Project and rebid the project with modifications.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Maintaining Infrastructure

2020-2021 Strategic Priorities

Financial Sustainability
Transportation

GUIDING DOCUMENTS

Bikeways
Trails
Parks and Recreation Masterplan
General Plan/Housing Element

REPORT NARRATIVE:

The East Main Avenue Bike Lanes and Sidewalk project (Attachment 1) is included in the adopted Fiscal Year (FY) 2018-19 through 2023-24 Capital Improvement Program. The project is identified in the 2017 Bikeways, Trails, Parks and Recreation Master Plan as a high priority project. The project is located along East Main Avenue, between Butterfield Boulevard and Condit Road. The project includes both pavement rehabilitation and school (pedestrian and bicycle) safety improvements.

The proposed pedestrian and bicycle safety improvements include; the installation of sidewalk improvements across the property frontages at 465 and 475 on East Main Avenue, the construction of curb bulb-outs and the installation of rapid flashing beacons and high visibility crosswalks at East Main and Grand Prix intersection, storm drain modifications, and apply green enhanced buffered bike lane striping.

The bid opening for the project was held on May 14, 2020 and the bids received are listed below.

O’Grady Paving, Inc.	\$1,203,283.00*
GradeTech Inc.	\$1,358,070.50
Granite Rock Company	\$1,379,739.75
Redgwick Construction Company	\$1,425,605.00

Golden Bay Construction

\$1,548,837.50

**corrected bid amount*

Shortly after the bids were received, a bid protest was filed by the second low bidder, claiming the apparent low bidder exceeded the subcontractor maximum limit of performing more than 50% of the work. The City verified that this limit was exceeded therefore, the contract cannot be awarded to the lowest bidder.

The second low bidder's bid amount is 40% more than the engineer's estimate of \$970,000 and the remaining bids are even greater. Staff feels confident that the City will receive more competitive bids if the project is rebid with minor revisions to the project plans and specifications. Therefore, Staff recommends that the City Council reject all bids and rebid the project. This will delay the construction start date by approximately five weeks but will potentially provide the City with a project savings of \$150,000 or more. If the project is rebid, construction would begin in late August 2020 and be complete in six months, assuming no project delays.

The project plans and specifications can be found on the City's web page in the Community Projects link (<http://www.morgan-hill.ca.gov/1436/Project-Plans-Specifications-and-Bid-Res>).

COMMUNITY ENGAGEMENT: Inform

During the design process, project information was available via NextDoor, the City's email subscribers, and the City's website. Once project is rebid and awarded, work hours will be limited to 8am-4pm as much as possible to minimize impacts to the neighborhood. Residents living near or adjacent to the proposed improvements will be notified prior to installing the improvements. Staff will also provide updated construction information weekly through Nextdoor and on the City's website. Staff will work closely with the Morgan Hill Unified School District to ensure access and safety to El Toro School located adjacent to the project site.

ALTERNATIVE ACTIONS:

City Council could elect to award the project to the second low bidder. However, it is not recommended as it is believed rebidding the project will result in savings for the project.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

- On June 6, 2018, the City Council adopted the FY 2018-19 through 2023-24 Capital Improvement Program, which includes the Main Avenue Bike Lane and Sidewalk project.
- On December 19, 2018, the City Council approved a Transportation Fund for Clean Air (TFCA) grant for \$65,100 for the project.
- On February 5, 2020, the City Council approve the purchase of property (Hwang) required to widen the roadway.

FISCAL AND RESOURCE IMPACT:

There is no direct fiscal impact related to the recommended Council action.

If City Council elected to award to the second low bidder, the total authorization needed for this project would be \$1,493,877, which includes a 10% contingency. The project will receive \$65,100 in TFCA grant funds from the Bay Area Air Quality Management District, which will be applied to the construction portion of the project. There is adequate funding appropriated within the FY 2019/20 Capital Improvement Budget in the Street CIP Fund (308), School Pedestrian Safety Fund (355), and Local Drainage Fund (304) to support the project.

CEQA (California Environmental Quality Act):

Categorical Exemption

The activities described in this Staff Report are categorically exempt per the California Environmental Quality Act (CEQA) Guidelines specifically identify by Section 15301 - Existing Facilities: Operation, repair, maintenance or minor alterations to existing public and private facilities involving no or negligible expansion of existing or former use.

LINKS/ATTACHMENTS:

1. Project Location Map
2. Project Plans and Specifications
3. 11 Supplement 1