

REPORT

**To the Honorable Mayor and City Council
From the City Manager**

September 24, 2007

SUBJECT

Award of Contract for the 2006-2007 Street Overlay Project (Alameda de las Pulgas – Bay Road – Florence Street)

RECOMMENDATION

Approve, by motion, the contract documents and award the contract for the 2006-2007 Street Overlay Project (Alameda de las Pulgas – Bay Road – Florence Street) to the lowest responsible bidder, Granite Rock Company DBA Pavex Construction Division, of San Jose, California for their low bid of \$1,787,382.41.

BACKGROUND

The 2006-2007 Street Overlay Project is part of the City's Roadway Management System (RMS) Program, which performs on-going pavement improvements. The purpose of this project is the rehabilitation of the roadways listed below by resurfacing with asphalt pavement overlay:

1. Alameda de las Pulgas – Massachusetts Avenue to Jefferson Avenue
2. Alameda de las Pulgas – Brewster Avenue to Maxwell Lane
3. Bay Road – Second Avenue to Florence Street
4. Florence Street – Bay Road to Marsh Road.

The eight (8) bids received at the bid opening September 14, 2007 are summarized below.

| Bidder | Bid Amount |
|--|-----------------------|
| Granite Rock Company DBA Pavex Construction Division – San Jose | \$1,787,382.41 |
| O'Grady Paving, Inc. -- Mountain View | \$1,795,454.70 |
| G. Bortolotto & Co., Inc. -- San Carlos | \$1,893,203.39 |
| C.F. Archibald Paving, Inc. -- Redwood City | \$1,898,744.40 |
| DeSilva Gates Construction L.P. -- Dublin | \$1,939,710.00 |
| Independent Construction Co. -- Concord | \$2,060,884.85 |
| Interstate Grading & Paving, Inc. – So. San Francisco | \$2,075,153.02 |
| Granite Construction Co. -- Watsonville | \$2,144,174.50 |
| Engineer's Estimate | \$2,109,000.00 |
| Recommended Bidder: Granite Rock Company DBA Pavex Construction Division | |
| Substantiation: Granite Rock Company DBA Pavex Construction Division is the lowest responsive and responsible bidder. | |

The low bid of \$1,787,382.41 is 15% lower than the Engineer's Estimate of \$2,109,000.00 and it is considered a good and responsive bid.

ALTERNATIVES

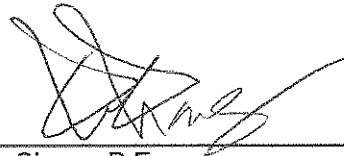
Council may choose not to award the contract which could result in the forfeiture of Federal grant funding and delay much needed improvements. Continued deterioration of the roadway surface will result in higher repair costs.

FISCAL IMPACT

This project is partially funded by a Federal Surface Transportation Program grant (STP) totaling \$900,000.00. Additional funding has been appropriated from the Gas Tax Construction Fund and the Transportation Fund (Measure A) Street Pavement Management Programs.



Peter Delgado
Associate Engineer



Chu Chang, P.E.
Manager, Engineering & Construction



Peter Ingram
Community Development Director



Ed Everett
City Manager

ATTACHMENTS

None

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. Contract Documents
2. Bid Documents