

REPORT

To the Honorable Mayor and City Council
From the City Manager

August 3, 2009

SUBJECT

Award of Contract – El Camino Real “Grand Boulevard” Streetscaping Project
(Broadway to Brewster Avenue)

RECOMMENDATION

Reject all bids and authorize staff to readvertise this project for public bidding.

BACKGROUND

The proposed project is the first in an anticipated sequence of improvements along El Camino Real (“ECR”) and consists of pedestrian, streetscape and landscape improvements to ECR from Broadway to Brewster Avenue, approximately 1/10th of a mile. The proposed improvements are consistent with the principles of the Grand Boulevard Initiative (“GBI”) adopted by the Council in December, 2007. The GBI is a collaborative effort involving 19 cities and both San Mateo and Santa Clara counties to transform ECR into a “grand boulevard” for the length of the Peninsula Corridor.

The work of this project is intended to improve pedestrian safety, enhance the pedestrian experience at the intersection of ECR and Broadway, and achieve better pedestrian access to the city’s central business district and downtown transportation center. Included as part of this project is the addition of a median refuge area and street frontage improvements that will reduce the distance and time required for pedestrians to cross the street. Improved lighting and landscaping are also proposed between Brewster and Broadway.

El Camino Real is a state maintained highway, and the project has been reviewed and approved by the California Department of Transportation. Construction is expected to conclude in February, 2010.

Federal grant funds for the streetscaping portion of the project have been awarded as a result of staff’s accomplished project planning and timely application. Two grants totaling \$1,162,000.00 have been secured for the work of this specific project from the California Mitigation and Air Quality Improvement Program (CMAQ) and the American Recovery and Reinvestment Act of 2009 (ARRA).

Existing watermains, located under the sidewalk in this project area, are time-worn and too small to meet demands of projected future development. Staff included replacement of the watermain as an alternate bid option to achieve some economy and to limit disruption resulting from multiple construction projects. As part of the work of this project, staff proposes to replace approximately 800 feet of watermain along El Camino Real, Brewster Avenue, and Broadway. The city routinely replaces sections of the water distribution system that have a history of service disruptions due to age, excessive maintenance requirements, and/or capacity limitations as provided for in the Capital Improvement Program.

The five (5) bids received at the bid opening on July 8, 2009, are summarized below:

Bidder	Bid Amount
Granite Rock Company DBA, Pavex Construction Division – San Jose	\$1,195,158.00
Redgwick Construction Co. – Newark	1,239,409.45
Joseph J. Albanese, Inc. – Santa Clara	1,245,147.40
Top Grade Construction, Inc. – Foster City	1,287,885.00
Interstate Grading & Paving, Inc. – South San Francisco	1,739,910.20
Engineer's Estimate	\$1,563,000.00

Bid Protest

The city received a letter dated July 15, 2009 from Redgwick Construction protesting the bid submitted by Granite Rock Construction Company dba Pavex. Redgwick alleged that the apparent low bid submitted by Pavex was "unbalanced", which means that some of the unit price items are substantially undervalued, while other items are overvalued. Redgwick specified two line items, aggregate base and hot mix asphalt, and asserted that the imbalance would affect the city's overall cost for the project.

Pavex responded to the protest in a letter dated July 20, 2009. In that letter, Pavex acknowledged the city's discretion to reject unbalanced bids. Pavex attributed the low unit prices to the fact that it is an integrated material supply, transportation, and construction company.

ALTERNATIVES

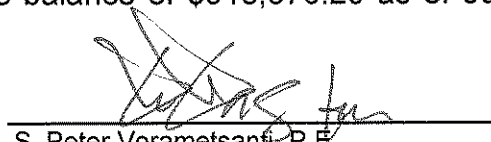
Council may choose to reject the apparent low bid submitted by Pavex and award the contract to Redgwick as the second lowest bidder. Any legal challenge by either Pavex or Redgwick may delay the work of this project.

FISCAL IMPACT

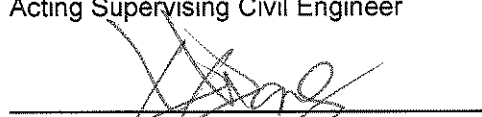
A total of \$1,162,000.00 in ARRA and CMAQ grant funds have been awarded specifically for the streetscape work of this project. Additional and previously appropriated funding is available from *Capital Projects Fund – ECR Grand Boulevard Improvements*, with a balance of \$155,874.40 as of June 30, 2009, to provide for the remaining cost of the contract.. Funds for the work to replace the watermain have been previously appropriated as *Water Fund Capital Projects -- Distribution System Replacement Program* which has an available balance of \$918,376.29 as of June 30, 2009.



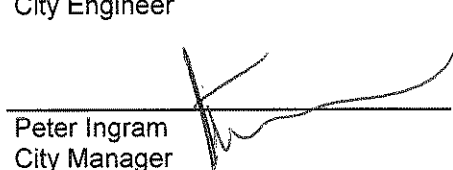
M. Saber Sarwary, P.E.
Acting Supervising Civil Engineer



S. Peter Vorametsanti, P.E.
City Engineer



Chu Chang, P.E.
Building, Infrastructure and
Transportation Department Director



Peter Ingram
City Manager

ATTACHMENTS

None

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. Contract Documents
2. Bid Documents