

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: July 18, 2011
Reviewed by: BP

SUBJECT: Pierce Street Pavement Rehabilitation and Segment I Bikeway Project

REPORT BY: Ann Chaney, Community Development Director
Richard Cunningham, Public Works Manager
Randy Leptien, City Engineer

STAFF RECOMMENDATION

Adopt Resolution No. 2011-39 Ratifying decision of City Manager to Grant Ghilotti Construction Relief from their Bid and Award the Contract for the Pierce Street Pavement Rehabilitation and Segment I Bikeway Project to Redgwick Construction in the Amount of \$ 1,291,625.50

BACKGROUND

On February 7, 2011 the City Council approved the plans for the Pierce Street Pavement Rehabilitation and Segment I Bikeway Project and authorized the City Clerk to call for bids. The key features of this project include:

- New paving on Pierce Street from northerly city limits to south end of 555 Pierce; and from Calhoun to Buchanan Street
- Slurry seal from south end of 555 Pierce Street to Calhoun Street
- Narrowing of travel lanes from 20 to 12 feet (southbound), and from 14 to 12 feet (northbound) along 500 block of Pierce Street
- Widening of sidewalk next to sound wall for a separated bikeway (Segment I)
- Two bus turnout areas and pads

On May 2, 2011, the City Council authorized the City Manager to Award the Bid to the lowest responsible Bidder provided that the bids were within the budget. It was noted in the May 2nd staff report that the extension of the masonry wall in the 500 block of Pierce Street was being deferred to the second segment of the bikeway project pending the acquisition of the Pierce Street park parcel and the securing of necessary permits from Caltrans.

DISCUSSION

On June 21, 2011 the City received two bids for this project. They were as follows:

1. Ghilotti Construction	\$ 1,098,982.00
2. Redgwick Construction	\$ 1,291,625.50
Engineer's Estimate	\$ 1,665,000.00

On June 27, 2011 the City received a letter from Ghilotti Construction indicating that they had made a mathematical error in preparing their bid and requesting the City to grant them relief from their bid in accordance with Section 5100 of the Public Contracts Code. A copy of their letter is attached. On July 6, 2011, the City Engineer issued a letter (copy attached) rescinding a previous and earlier decision to rebid the project, granting relief to Ghilotti Construction and indicating and finding the bid of the second low bidder, Redgwick Construction to be the lowest responsive, responsible bid for this project. On July 12, 2011 the City Manager issued a letter awarding the contract to Redgwick Construction.

The Council authorization on May 2, 2011 was silent with regard to granting relief to the low bidder. Therefore, staff has prepared a resolution ratifying the City Manager’s action to Grant Relief and to Award the Contract to the second low bidder, which has been attached. It is recommended that the Council approve the resolution.

SUSTAINABILITY IMPACT

This project involves construction of a new bikeway, which will provide commuter and recreational bicyclists a safer route that would lead to a reduction in freeway congestion, and thereby have a direct benefit to air quality. The project includes the installation of pervious concrete pavement beneath the parallel parking on the east side of the 500 Block of Pierce, which will allow stormwater to percolate through the pavement and be filtered prior to entering Cerrito Creek.

FINANCIAL IMPACT

The bid falls within the CIP budget for this project. The revised project estimate including the amount of the accepted construction bid is as follows:

Construction Bid	\$1,291,625.50
Construction Engineering	250,350.00
Contingencies	<u>373,374.50</u>
Total Project	\$1,915,350.00

The Engineer's Estimate for construction, not including contingencies was \$1,665,000. The low bid is approximately \$373,000 under the Engineer's estimate and therefore the \$291,000 of Measure F 2006 funds that had been held in reserve for this project may be used for other purposes. The sources of funds for this project are:

- Local Street and Roads Funding (CMA TIP)
- CDBG Funds - curb ramps
- Proposition 1B-2007-08 (paving)
- Proposition 1B-2008-09 (paving)
- Measure F - 2002 (path)
- Measure F-2002 (paving)
- Local Street and Roads Funding (Fed TIP)

Attachments

- Resolution Granting Relief and Awarding Contract
- Notice to Rescind Decision to Rebid and Awarding Contract
- Letter Awarding Contract to Redgwick Construction