TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS
DATE: JULY 8, 2002 CMR: 321: 02

SUBJECT: APPROVAL OF A CONTRACT WITH J.J.R. CONSTRUCTION, INC. IN THE AMOUNT OF $895,000 FOR FISCAL YEAR 2002-03 PHASE 1 SIDEWALK REPLACEMENT PROJECT

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the Mayor to execute the attached contract with J.J.R. Construction, Inc. in the amount of $895,000 for Fiscal Year (FY) 2002-03 Phase 1 Sidewalk Replacement Project.

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with J.J.R. Construction, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $ 89,500.

DISCUSSION
Project Description
The Sidewalk Replacement Project funds are used for contract construction to reduce trip hazards and make sidewalks more accessible to disabled people. Under the schedule for this project, the City is divided into areas based on the age and general condition of sidewalks. Work in each contiguous area is completed prior to moving to the next. This approach is designed to obtain favorable prices and to avoid repeated disruption. Under the schedule, the entire City will have been covered in FY 2012-13, at which time, a renewed maintenance schedule should be begun, but at a lower funding level (because of fewer curb ramps and less replacement will be needed).

The work to be performed under the contract is for sidewalk repair and replacement, wheelchair ramp construction and curb and gutter replacement in the project areas marked as Blocks 1 through 11 on the Vicinity Map (Attachment B). Block 11, consisting of portions of Lytton Avenue and Emerson Street, is in the downtown business district. In keeping with existing Public Works policy, work in business districts will not be permitted between the third Thursday in November 2002 and January 2, 2003.
Bid Process
A notice inviting formal bids for the FY 2002-03 Phase 1 Sidewalk Replacement Project was sent on May 17, 2002 to eight builders' exchanges and nine contractors. The bidding period was twenty-one days, which was considered sufficient because the scope of work is routine, subcontractors are generally not required, and the City has bid numerous projects of this type over the past ten years. Bids were received from three (3) qualified contractors on June 11, 2002, as listed on the attached bid summary (Attachment C). Bids ranged from a high of $982,431 to a low bid of $606,962. Contractors not responding indicated that they did not submit a bid because they were too busy right now, or they could not be competitive on this project.

The bidder of $606,962, L&B Engineering, Inc, San Francisco, requested to withdraw its bid because of a gross misinterpretation of the Specifications which led to an unrealistically low bid (Attachment D). In addition, this bid was incomplete in that it did not acknowledge, respond to, or incorporate the Addendum 1. Under the Specifications, failure to acknowledge or incorporate an Addendum renders the bid incomplete. Staff therefore recommends the low bidder be permitted to withdraw its bid.

Staff has reviewed the remaining bids submitted and recommends that the bid of $895,000 submitted by J.J.R. Construction, Inc. be accepted and that J.J.R. Construction be declared the lowest responsible bidder. The bid is six percent above the engineer's estimate of $847,000. The change order amount of $89,500, which equals 10 percent of the total contract, is requested for additional, but unforeseen, work which may develop during the project.

Staff checked references supplied by the contractor for previous work performed and found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.

RESOURCE IMPACT
Funds for this project are included in the Fiscal Year 2002-03 Capital Improvement Program, Sidewalk Replacement Project 18903.

ENVIRONMENTAL REVIEW
This project is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301C of the CEQA guidelines and no further environmental review is necessary.

ATTACHMENTS
Attachment A: Contract
Attachment B: Location Map
Attachment C Bid Summary
Attachment D Request by L&B Engineering, Inc. to withdraw bid.
PREPARED BY: John Cunningham, Assistant Engineer

DEPARTMENT HEAD:__________________________
GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL:__________________________
EMILY HARRISON
Assistant City Manager