



# City of Morgan Hill

## Legislation Text

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### **CITY COUNCIL STAFF REPORT** **MEETING DATE: SEPTEMBER 21, 2016**

PREPARED BY: Scott Creer, Senior Civil Engineer, Public Works Engineering  
APPROVED BY: City Manager

### **REJECT THE BID FOR THE 2016 PAVEMENT RESURFACING PROJECT**

#### **RECOMMENDATION(S)**

Reject the bid and direct staff to rebid the project.

#### **COUNCIL PRIORITIES, GOALS & STRATEGIES:**

##### **Ongoing Priorities**

Enhancing public safety

Maintaining fiscal responsibility

#### **REPORT NARRATIVE:**

The scope of work for this project includes asphalt concrete (AC) overlay, full depth AC pavement repair, cold planing, raising iron, slurry and crack sealing, and striping. The street to be overlaid with this project is Hill Road between East Dunne Avenue and Diana Avenue. Slurry and crack sealing are slated for Llagas Creek estates and Sparhawk Estates neighborhood streets. The treatment types and locations were selected based on information obtained from the City's Pavement Management Program and through visual inspection by city staff.

In soliciting bids, the City advertised in the Morgan Hill Times newspaper and sent bid packages to eleven Builders Exchanges, ranging north/south between San Francisco and Salinas and east/west between Acampo and Santa Cruz.

The bid opening was held on September 8, 2016. Only one bid was received by American Asphalt Repair & Resurfacing Company Inc. for \$859,905. This is \$268,905 over the engineer's estimate, which was \$591,000. The lack of bidders and high bid price is most likely due to the current robust construction environment.

Staff recommends rejecting the one bid received and directing staff to rebid the project.

**COMMUNITY ENGAGEMENT: Inform**

Affected businesses and/or property owners will be notified of paving work in their area well in advance of the work.

**ALTERNATIVE ACTIONS:**

City Council could alternatively elect to award the sole bid and direct staff to implement the project this year. The additional funding could be sourced from the FY 16/17 CIP Program under the Pavement Rehabilitation Program, Street Fund (308). This would ultimately reduce the available funding for the FY 16/17 paving project.

**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

June 17, 2015 - City Council Approved 2015-2016 Capital Improvement Program, which included funding for this resurfacing project.

**FISCAL AND RESOURCE IMPACT:**

If bids are rejected, there will be no fiscal impact.

**CEQA (California Environmental Quality Act):**

Categorical Exemption

The activities described in this Staff Report are categorically exempt under CEQA, specifically pursuant to Section 15301 of the CEQA Guidelines (Existing Facilities), as the subject work involves the repair, maintenance or minor alteration of existing City facilities involving negligible or no expansion of use of those facilities.

**LINKS/ATTACHMENTS:**

Project Location Map