



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: May 16, 2023

Subject

Consider rejection of all bids received for the De Anza Boulevard and McClellan Road/Pacifica Drive Intersection Modifications Capital Improvement Programs (CIP) Project.

Recommended Action

Authorize the Director of Public Works to reject all bids received for the De Anza Boulevard and McClellan Road/Pacifica Drive Intersection Modifications CIP Project.

Reasons for Recommendation

In June 2016, the City Council adopted the 2016 Bicycle Transportation Plan ("Plan"). The Plan is a long-range planning document designed to address the present and future needs of bicycling within the City of Cupertino. Infrastructure projects are identified in the Plan and organized into three tiers, Tier 1 projects having the highest priority with expected implementation within five years. Tier 2 and Tier 3 projects scored lower than Tier 1 projects with respect to priority, however implementation of these tiers can be initiated sooner to address community opportunities and to compliment the development of other transportation improvements.

The reconfiguration of the De Anza Boulevard/McClellan Road/Pacifica Drive intersection (Project No. 2020-12) is identified in the Plan as a Tier 2 project. This intersection is a vital connection within the McClellan Road corridor and is included as Phase 3 of the larger McClellan Road Separated Bike Lane project. The Phase 3 improvements include reconfiguring the intersection and modifying the existing traffic signals. Construction of Project Phases 1 and 2 were completed in June 2019 and June 2020, respectively. The Phase 3 improvements include reconfiguring the intersection and modifying the existing traffic signals.

The McClellan Road Separated Bike Corridor, Phase 3 Project was included in the adopted Fiscal Year (FY) 2021-2022 CIP Budget, with an approved project amount of \$1,324,410. The project budget consists of \$1,000,000 in grant funding from the Vehicle Emissions Reductions Based at Schools (VERBS) program and \$324,410 in General Fund expenditures.

The project was advertised for bid on March 23, and the following two bids were received on April 18.

Bidder	Bid Amount	% Over Engineers Estimate
Engineers Estimate	\$1,350,865.00	
Redgwick Construction Co.	\$1,509,659.00	12%
Ray's Electric	\$1,625,050.25	20%

Both bids exceeded the engineer's estimate and as well as the authorized project expenditure. In addition, the Department of Public Works identified that Redgwick Construction Co. failed to include Federal form attachments required by the State of California and would recommend City Council deem the bid non-responsive.

Aside from the responsive bid being more than 20% over the authorized project expenditure, the project will also require construction management services which are estimated to cost an additional \$165,000.

The Department of Public Works believes that additional outreach and alternative timing of the bid advertisement may increase project interest by contractors resulting in more competitive bids being submitted. The Department of Public Works intends to re-advertise the project in the near future. Therefore, staff recommends that, pursuant to Cupertino Municipal Code section 3.22.110(A), Council Authorize the Director of Public Works to reject all bids.

Sustainability Impact

No sustainability impact.

Fiscal Impact

The FY 21-22 Budget allocated \$1,324,410 for the McClellan Road Separate Bike Corridor, Phase 3 Project (budget unit 420-99-036 ST 047). Of that amount, \$1,000,000 is funded through the VERBS grant, administered by the Metropolitan Transportation Commission. No additional appropriations are requested at this time.

Rejection of the bid will have no fiscal impact. Available funds will be carried over to next fiscal year.

California Environmental Quality Act (CEQA)

The proposed action is exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15378 (b) (5) as it is an administrative activity that will not result in a direct or indirect physical change to the environment.

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