



## Legislation Text

---

File #: 21-840, Version: 1

---

Report regarding adoption of a resolution awarding a construction contract to Golden Bay Construction for the South Airport & Belle Aire Public Access Improvement. (*Jason Hallare, Senior Civil Engineer*)

### **RECOMMENDATION**

**Staff recommends that the City Council adopt a resolution awarding a construction contract to Golden Bay Construction, Inc. of Hayward, California for the South Airport & Belle Aire Public Access Improvement Project (CIP No. ST2004, Bid No. 2661) in an amount not to exceed \$617,781.00, authorizing a total construction contract authority budget of \$741,337.00, and authorizing the City Manager to execute the agreement on behalf of the City.**

### **BACKGROUND/DISCUSSION**

The City of South San Francisco ("City") is one of the permittees of a San Francisco Bay Conservation and Development Commission ("BCDC") permit under BCDC Permit No. 1998.011.07 for the Park SFO parking structure.

In August 2020, the City had completed the North Access Road Bike and Pedestrian Improvement Project (CIP ST1806) which satisfied a portion of the BCDC Permit 1998.011.07 by constructing the City's first protected bikeway. The remainder of the BCDC Permit requirements will be satisfied by the completion of this project.

The remainder of the conditions of this BCDC Permit are to improve connectivity to the San Francisco Bay Trail through the upgrades of pedestrian and bicycle intersection crossings on South Airport Boulevard from Marco Way to North Access Road and on Belle Aire Road where it will connect to the existing San Francisco Bay Trail. The City will construct these required improvements as part of this South Airport & Belle Aire Public Access Improvements Project (CIP ST2004). Upgrades include ADA-compliant curb ramps, high-visibility crosswalks, green bike lanes, new green bike boxes for turning movements, and traffic signal upgrades.

### **Overview of City's Procurement Process**

The City's procurement process is governed by both state and local law. State law requires contracts for construction to be competitively bid pursuant to a set of specific, established rules. In particular, the City is required to award construction contracts to the "lowest responsible bidder" after providing notice in accordance with law. (Pub. Contract Code §§ 20162, 20164.)

However, in awarding contracts for the purchase of professional services, equipment and supplies, the City has some latitude. State law requires the City to adopt regulations and policies to govern such service and supplies procurement, but otherwise provides the City flexibility in determining relevant requirements as long as they are consistent with applicable state law. (Gov. Code § 54202.) Chapter 4.04 of the Municipal Code and the City's Purchasing Procedures (Administrative Instruction Section IV, No. 1) govern the City's purchasing policies and contract procurement processes.

The City's purchasing ordinance distinguishes between three primary types of procurement methods as follows:

### **1. Competitive Bidding for Construction Projects**

Public projects are specifically defined under the Public Contract Code, and generally involve any construction project that is paid with public funds or those projects involving improvements, demolition or other work on public property or facility. Public projects are required to be procured through competitive bidding and the City must award the contract to the lowest bidder whose bid complies with all of the City's solicitation requirements and demonstrates that the bidder is able to perform the work. Under the City's policy, different levels of competitive bidding are required depending on the dollar limit of the underlying project.

For these contracts, cost is generally the sole determining factor, and the lowest responsible bidder is awarded the project even if another bidder appears to be more skilled but is more expensive.

### **2. Open Market Procedures for Vendors (Supplies and Equipment)**

Open Market Procedures is the City's vendor selection process for purchase of goods, supplies, and professional services. These rules do not apply to, and may not be used for, public construction projects.

Contracts for the purchase of goods and services that exceed \$10,000 requires staff to utilize open market procedures. If the contract is \$25,000 or less, staff must obtain at least three quotes, which are informal offers to perform work at a stated price. If the contract is greater than \$25,000, staff will be required to solicit the project, such as issuing a Request for Proposals ("RFPs") and obtain at least three written responses.

Under this vendor selection process, cost can be only one factor in determining which vendor the City will ultimately select for services, equipment, or supplies. This requirement is similarly reflected under SSFMC § 4.04.080.

Thus, when utilizing the open market vendor selection process, the City is focused on the skill, ability, and expertise of the entity or person to be able to provide the service, equipment, or goods to the City. The selection is based on competence, professional qualifications, and overall value to the City with cost being only one factor in the determination of an award.

#### Federally Funded Procurements for Vendors (Supplies and Equipment)

Contracts that receive federal funding are required to incorporate and comply with additional terms and conditions. The City's Purchasing Procedures also provide guidance on procuring supplies and equipment contracts that are federally funded. Federally funded procurements also require a written procedure for conducting evaluations and for selecting recipients and awarding the contract to the responsible firm whose proposal is most advantageous to the City with price being only one factor. It is also important to note that federally funded procurements do not include state or local geographical preferences unless specifically authorized by federal law. Each evaluation is a non-discrimination and equal opportunity for all vendors.

### **3. Open Market Procedures for Architectural and Engineering (A&E) Professional Services**

For certain professional services such as architectural, engineering, environmental, land surveying, or

construction project management, the Government Code also specifically requires that such services not be awarded solely based on price, but instead based on demonstrated competence. (Gov. Code § 4526.) Both the state law provision and the City's policy reflect the legislative view that when acquiring such services, the City does not necessarily receive the best value when it pays the lowest price. (See e.g., California Attorney General Op. No. 94-819 (February 9, 1995)).

**Current Project:****South Airport & Belle Aire Public Improvement Project, ST2004, Bid No. 2661.**

This project falls under Procurement Type 1: Competitive Bidding for Construction Projects.

Staff advertised a notice inviting bids for the project on October 4, 2021, and October 18, 2021. On November 2, 2021, staff received five (5) bid proposals in response to the notice inviting bids. Staff reviewed all bid proposals and identified that the lowest responsible bidder was Golden Bay Construction, Inc. of Hayward, California. Staff has verified the low bidder's current contractor's license with the California State Licensing Board and found it to be in good standing.

The following is a summary of all bids received:

<b>Rank</b>	<b>Contractor</b>	<b>"Base Bid" Schedule Results</b>
<b>1</b>	<b>Golden Bay Construction, Inc.</b>	<b>\$617,781.00</b>
2	Sposeto Engineering, Inc.	\$739,176.50
3	GECMS, Inc.	\$748,718.35
4	Kerex Engineering, Inc.	\$800,565.00
5	CF Contracting, Inc.	\$802,260.00
	Engineers Estimate (by DKS Associates)	\$725,057.00

The project was advertised with a "Base Bid" schedule only. The selection of award of a contract is based on the lowest responsive bid for the Base Bid schedule.

The project construction budget is:

Golden Bay Construction, Inc. Construction Contract	\$617,781.00
Construction Contingency (20%)	\$123,556.00
<b>Total Project Construction Budget</b>	<b>\$741,337.00</b>

The construction contingency will be used for any additional costs related to design changes during the construction operations. From previous experience on BCDC Permitted projects, the 20% construction contingency would be warranted as BCDC has previously asked for additional work during past construction projects. There are no Disadvantaged Business Enterprise (DBE) requirements since no federal funds are being utilized on the project.

### FUNDING

This project (CIP No. ST2004) is included in the City of South San Francisco's fiscal year 2021-2022 Capital Improvements Program. There are sufficient funds in FY 2021-2022 to cover the total construction contract costs.

### RELATIONSHIP TO STRATEGIC PLAN

Approval of this action will contribute to the City's Strategic Plan outcome of improved Quality of Life by maintaining and improving infrastructure to serve the public.

### CONCLUSION

Awarding the construction contract to Golden Bay Construction, Inc. of Hayward, California, for the South Airport & Belle Aire Public Improvement Project will enhance the bicycle and pedestrian safety and connectivity to the San Francisco Bay Trail and satisfy the City of South San Francisco obligations per the BCDC Permit No. 1998.011.07.

#### Attachments:

1. Vicinity Map
2. Presentation