



evaluated slope stability and determined that due to the narrow width of the roadway, the road needed to remain closed until a new retaining structure could be built to stabilize the failure area.

The two retaining walls will provide slope stability for the roadways. Additionally, the project will include roadway resurfacing, drainage improvements, tree removal, erosion and sediment control, and pedestrian safety railing.

**ANALYSIS:**

On July 7, 2023, the project was advertised in accordance with San Rafael's Municipal Code. On July 28, 2023, the following bids were received and read aloud:

| <b><u>NAME OF BIDDER</u></b>         | <b><u>AMOUNT</u></b> |
|--------------------------------------|----------------------|
| <b>Maggiore &amp; Ghilotti, Inc.</b> | <b>\$1,117,117</b>   |
| <b>Valentine Corporation</b>         | <b>\$993,369</b>     |

The construction bids were reviewed by City staff. The low bid of \$993,369 from Valentine Corporation was found to be responsive and responsible.

**FISCAL IMPACT:**

Staff recommends appropriating \$1,150,000, consisting of the Valentine Corporation base bid of \$993,369 and an additional 15% contingency of \$156,631 for City Project No. 11361.

The City has set aside \$1,225,000 in the Capital Improvement Program (CIP) using a combination of Fund 605 (Liability Fund) and Fund 206 (Gas Tax).

Fund 605 (Liability) will be used for the Southern Heights/Courtright portion of the project. In January 2021, the City entered into a Settlement Agreement with respect to the action *Stewart Miller, et al. v. City of San Rafael, et al.*, Marin County Superior Court case no. CIV 1703948. Under the terms of the settlement agreement, the plaintiffs waive all claims against the City if the City constructs a retaining wall system and drainage improvements. Fund 206 (Gas Tax) will be used for the Pearce Road Portion of the project. Availability of funding within the Liability Fund to support this appropriation is contingent on a proposed FY22-23 year-end transfer from the General Fund, as referenced in the budget adoption staff report dated June 5, 2023, and scheduled for Council action at the meeting of September 18<sup>th</sup>.

**OPTIONS:**

1. Award the contract as recommended.
2. Do not award the contract and direct staff to rebid the project. If this option is chosen, rebidding will delay construction.
3. Do not award the contract and provide direction to staff.

**RECOMMENDED ACTION:**

1. Award the construction agreement for the Southern Heights/Courtright/Pearce Retaining Walls Project, to Valentine Corporation in the amount of \$993,369.
2. Authorize the City Manager to execute the construction agreement.
3. Appropriate \$1,150,000 for the agreement, including contingency funds of \$156,631.