



# CITY OF SAN MATEO

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## Administrative Report

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Agenda Number: 6., Status: Passed

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**TO:** City Council

**FROM:** Drew Corbett, City Manager

**PREPARED BY:** Public Works Department

**MEETING DATE:** Monday, January 07, 2019

**SUBJECT:**  
Downtown San Mateo Parking Technology Project - Rejection of Bids

### RECOMMENDATION

Reject all bids received for the Downtown San Mateo Parking Technology project.

### BACKGROUND

In 2015, the City of San Mateo applied for funding through the Metropolitan Transportation Commission (MTC) for the Downtown San Mateo Parking Technology Implementation project. This project aims to implement parking technology improvements throughout the downtown core including new parking pay stations and parking meters for on- and off-street parking assets, Automated Parking Guidance Systems (APGS) at garage entry points to provide real-time parking occupancy data and wayfinding signage including static directional signage and dynamic real-time occupancy signage.

The project was first advertised for the current construction and implementation phase on November 19, 2017. The scheduled bid opening was held on Thursday, January 4, 2018. No bids were received as of that posted date.

The project was re-advertised on January 21, 2018 and three bids were received and opened on February 21, 2018. None of the bids received demonstrated compliance with the Buy America requirements of the federally-funded grant. City Council voted to reject all bids received on May 7, 2018.

Staff worked with Caltrans to determine alternate options for the project, and with their assistance, revised the project to implement the Buy America alternate bid process. This process requires that bidders submit a full bid with domestic materials and have the option to submit an additional full bid with pricing for foreign materials. The use of foreign steel/iron materials is possible if the total lowest domestic product bid is at least 25% more costly than the total lowest bid using foreign materials. With this process in place, the project was re-advertised on August 23, 2018.

Three bids were received and opened on October 5, 2018. One bidder did not submit a complete bid for domestic materials and was deemed non-responsive. City staff posted a bid summary with the full results of the bid effort.

The City received an inquiry regarding the award that noted an irregularity in the bid notice language stating that the prime contractor need not hold a contractor's license if they were not performing installation or construction, or other work that would require state licensure. The inquiry noted that state Business and Professions Code Section 7028.15(e) requires "contractors" to hold state contractor's licenses. The inquiry

further noted that Business and Professions Code Section 7026 defines the term “contractor” to include those hired to place structures within City streets. Here, even though the bulk of the expense will be in the software housed inside the parking meters, since the parking meters constitute “structures” and the term “streets” included sidewalks, the licensing requirement applies. Accordingly, the City Attorney’s Office recommends that staff request that City Council reject all bids based on this irregularity, as the two responsive bidders did not hold a contractor’s license and therefore could not be awarded the project.

Staff recommends rejection of all bids. The project will be re-bid with the added requirement that the prime contractor hold a California contractor’s license.

**BUDGET IMPACT**

There is no budget impact for the rejection of bids.

**ENVIRONMENTAL DETERMINATION**

In accordance with Public Resources Code 21080(b)(5), rejection of the bids is statutorily exempt from CEQA.

**NOTICE PROVIDED**

All meeting noticing requirements were met.

**ATTACHMENTS**

Att 1 - Bid Summary

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