



**Meeting Date:** October 28, 2024

**To:** Public Works Commission

**Through:** Carla Short, Public Works Director  
Albert Ko, City Engineer, and Deputy Director for Infrastructure

**From:** Paul Barradas, Street Resurfacing Program Project Manager

**Subject:** Various Locations Pavement Renovation No. 71A and Sewer Replacement – Contract Award

---

**Director’s Recommendation:**

Adopt findings pursuant to the California Environmental Quality Act (“CEQA”) regarding the Final Mitigated Negative Declaration issued by the Planning Department on September 17, 2010 (Case No. 2007.138E) (“FMND”) and adopt a Mitigation Monitoring and Reporting Program (“MMRP”) associated with the Better Streets Plan; approve Director’s recommendation to award the contract to the sole responsive bidder; and award San Francisco Public Works Construction Contract Various Locations Pavement Renovation No. 71A and Sewer Replacement (Sourcing ID No. 0000005927) contract to Esquivel Grading & Paving Inc. in the amount of \$8,201,484.40 with \$820,148.44 for contingency, and with 613 consecutive calendar days with 61 consecutive calendar days of contingency to perform pavement resurfacing, curb ramp upgrades, traffic control improvements, sewer improvements and other associated infrastructure work on specified streets in the City and County of San Francisco.

**Contract Background:**

This contract is one of several contracts that contributes to the overall Public Works Street Resurfacing Program goal of maintaining or increasing the overall average condition of San Francisco Public Works' maintained streets in San Francisco. San Francisco Public Works currently maintains approximately 12,900 street segments.

Along with geographic equitable distribution of street resurfacing in all eleven San Francisco districts and neighborhoods, the San Francisco Public Works Street Resurfacing Program considers factors such as pavement condition, use of street, coordination with other agencies, inquiries and available funding when planning and issuing contracts.

San Francisco Public Works is recommending the San Francisco Public Works Commission Award 0000005927 – Various Locations Pavement Renovation No. 71A and Sewer Replacement to the one Responsive and Responsible bid received by Esquivel Grading & Paving, Inc. in accordance with the San Francisco Administrative Code, Chapter 6, Article II, Section 6.23 (c)(2) One Responsive Bid Received; No Other Bids Received.

San Francisco Administrative Code, Chapter 6, Article II, Section 6.23 (c)(2) states:

*“If only one Responsive Bid is received from a Responsible Bidder, and no other Bids are submitted for the same work, the Department Head may recommend the Award of a Contract to the sole Bidder at the bid price received, provided that the bid price does not exceed the engineer's estimate for the work. If the bid price received exceeds the engineer's estimate, the Department Head shall determine (A) whether further outreach efforts would result in more than one Bid and/or (B) whether removal or modification of certain requirements in the Contract would result in more than one Bid, provided that such requirements are not required by statute or law and their removal or modification would not compromise the interests of the City. If the Department Head determines that steps (A) and/or (B), above, would likely result in more than one Bid at bid prices substantially lower than the bid price received, then the Department Head shall re-bid the work. If the Department Head determines that neither step (A) nor (B), above, would likely result in more than one Bid at bid prices substantially lower than the bid price received, then the Department Head, with the approval of the Mayor or the board or commission for the department concerned, as appropriate, may negotiate with the sole Bidder or any qualified Contractor, or may order the work to be executed by the City ..”*

It has been determined further outreach efforts would **NOT** likely result in more than one bid at bid prices substantially lower than the bid price received as the project was advertised in many mediums, there were many plan holders and sufficient time was provided to prepare a bid.

- San Francisco Public Works advertised the project in many mediums, including the Office of Contract Administration website (<http://sfgov.org/oca>), Public Works websites ([www.sfpublishworks.org](http://www.sfpublishworks.org) and the Electronic Bid Documents website: [www.sfpublishworks.org/biddocs](http://www.sfpublishworks.org/biddocs)), the Small Business Exchange, and print media including the San Francisco Chronicle, San Francisco Examiner and Daily Pacific Builder.
- There were 37 project plan holders.
- The project was advertised on 8/6/2024 and received bids on 9/4/2024. 26 calendar days (or approximately ~1 month) is sufficient time to prepare a bid.

It has been determined removal or modification of certain requirements in the Contract would **NOT** result in more than one Bid, provided that such requirements are not required by statute or law and their removal or modification would not compromise the interests of the City.

- The project duration is 613 consecutive calendar days, which is required and standard for a project of this nature.
- The project requires a Class “A” license required to bid, which cannot be waived and is typical and standard for a project of this nature.
- The project requires “Clean Construction” per San Francisco Administrative Code (“Administrative Code”) Section 6.25 and Chapter 25 of the Environment Code, which cannot be waived and is typical and standard for a project of this nature.
- The project requires bid discounts may be applied as per San Francisco Administrative Code Chapter 14B, which cannot be waived and are typical and standard for a project of this nature.
- The project requires Local Business Enterprise Subcontracting Participation of 25%, which cannot be waived and is typical and standard for a project of this nature.

- The project requires Good Faith Efforts in accordance with Administrative Code 14B, which cannot be waived and are typical and standard for a project of this nature.
- The project requires partner elements at Partnering Level 2, which cannot be waived and is typical and standard for a project of this nature.

Although an email was received on 9/6/2024 (2 days after bids were due) by a potentially prospective bidder, no Questions on Bid Documents nor any requests by this potentially prospective bidder were made in a timely manner prior to bid opening on 9/4/2024. This potentially prospective bidder currently has contracts with the City and is well aware of the processes.

Therefore, it is recommended the San Francisco Public Works Commission Award 0000005927 – Various Locations Pavement Renovation No. 71A and Sewer Replacement to the one responsive and responsible bid received by Esquivel Grading & Paving, Inc. in accordance with the San Francisco Administrative Code.

**Solicitation Process:**

The Department advertised the project on August 5, 2024, and on September 4, 2024, received One (1) bid. Staff evaluated the bids received and determined that Esquivel Grading & Paving Inc. was the responsible bidder submitting the lowest responsive bid.

**Contract Details:**

<b>Contract Title:</b>	Various Locations Pavement Renovation No.67B, Sewer Replacement, and Overhead Contact System Local Isolation
<b>Contract Award Amount:</b>	\$8,201,484.40
<b>Cost Estimate:</b>	\$7,600,000.00
<b>Contract Funding Sources:</b>	Road Maintenance and Rehabilitation Account (RMRA)
<b>Anticipated Project Schedule:</b>	Notice-to-proceed: Spring 2025 Construction: Spring 2025 through Summer 2026
<b>Contract Duration:</b>	613 consecutive calendar days
<b>Contractor Name:</b>	Esquivel Grading & Paving Inc.
<b>Compliance with Chapter 14B Local Business Enterprise Ordinance:</b>	The Contract Monitoring Division (CMD) has determined Esquivel Grading & Paving Inc. has materially complied with the pre-award Chapter 14B requirements.
<b>Environmental Determination (if applicable):</b>	Better Streets Plan Final Mitigated Negative Declaration issued September 17, 2010 (Case No. 2007.1238E), Planning Commission Motion No.18211 (adopted October 28, 2010), Better Streets Plan Checklist issued December 19, 2022,

Various Locations Pavement Renovation No. 71A and Sewer Replacement  
 Public Works Commission Meeting: October 28, 2024

	Statutory Exemption issued October 10, 2022 (Case No. 2022-010077ENV)
<b>Other Compliance:</b>	Not Applicable
<b>Additional Information:</b>	Not Applicable
<b>Attachments:</b>	<p><b>Attachment 1:</b> Resolution</p> <p><b>Attachment 2:</b> Bid Tabulations</p> <p><b>Attachment 3:</b> Contract Monitoring Division Memorandum</p> <p><b>Attachment 4:</b> Better Streets Plan Final Mitigated Negative Declaration issued September 17, 2010 (Case No. 2007.1238E)</p> <p><b>Attachment 5:</b> Planning Commission Motion 18211 (adopted October 28, 2010)</p> <p><b>Attachment 6:</b> Better Streets Plan Checklist (issued May 18, 2022)</p> <p><b>Attachment 7:</b> Statutory Exemption issued May 6, 2024, (Case No. 2024-003877ENV)</p>

**PUBLIC WORKS COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO**

**RESOLUTION NO. \_\_\_\_\_**

WHEREAS, This contract is one of several contracts that contributes to the overall goal of the Public Works Street Resurfacing Program of maintaining or improving the overall average condition of San Francisco streets that are maintained by Public Works, which currently maintains approximately 12,900 street segments; and

WHEREAS, The contract scope includes pavement resurfacing, curb ramp upgrades, traffic control improvements, and other associated infrastructure work on specified streets in the City and County of San Francisco; and

WHEREAS, On July 28, 2010, the Planning Department prepared and published for public review the Draft Mitigated Negative Declaration for the San Francisco Better Streets Plan (Case No. 2007.1238E or “BSP”), which included adoption of a set of citywide streetscape and pedestrian goals, objectives, policies, and design guidelines, as well as future strategies to improve the San Francisco pedestrian realm including sidewalks, crosswalks, and portions of the roadway and the Draft Mitigated Negative Declaration for the BSP was available for public comment; and

WHEREAS, On September 17, 2010, the Planning Department adopted the Final Mitigated Negative Declaration (“FMND”) pursuant to the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (“CEQA”) and determined that, with the adoption of the mitigation measures contained in the Mitigation Monitoring and Reporting Program associated with the BSP (“MMRP”), there is no substantial evidence that the BSP would have a significant effect on the environment based on Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to Prepare a Negative Declaration) of the CEQA Guidelines (14 California Code of Regulations Sections 1500 et seq.) and the reasons documented in the FMND; and

WHEREAS, On October 28, 2010, the Planning Commission, in Resolution No. 18211 (“Planning Commission Resolution”), adopted findings under CEQA, the CEQA Guidelines, and Chapter 31 of the Administrative Code (“CEQA Findings”), and adopted the MMRP; and

WHEREAS, On December 19, 2022, the Planning Department issued a determination (“CEQA Determination”) concluding that the pavement resurfacing, curb ramp upgrades, traffic control improvements, and other associated infrastructure work performed under this contract are within the scope of the FMND and would not require the preparation of a subsequent negative declaration under CEQA Guidelines Sections 15162 and 15168, provided that the applicable mitigation measures contained in the MMRP are implemented; and

WHEREAS, On May 6, 2024, The Planning Department, in Case No. 2024-003877ENV, issued a determination (“Statutory Exemption”) concluding that the sewer replacement work to be performed under this contract is statutorily exempt from CEQA under Public Resources Code Section 21080.21 and CEQA Guidelines Section 15282(k), as described in the determination contained in the Public Works Commission files for this contract; and

WHEREAS, The Contract Monitoring Division (“CMD”) established a Local Business Enterprise (“LBE”) subcontracting requirement of 25% for this contract and the contractor committed to LBE participation of 25.10% in its bid submittal; and

WHEREAS, On August 6, 2024, Public Works advertised for bids for the Various Locations Pavement Renovation No. 71A and Sewer Replacement; and

WHEREAS, On September 4, 2024, Public Works received one bid; and

WHEREAS, Public Works staff and CMD staff reviewed the bids and application of bid preferences and determined that Esquivel Grading & Paving Inc. is the responsive and responsible bidder that submitted the lowest responsive bid; and

WHEREAS, The contract amount is \$8,201,484.40; and

WHEREAS, The contract duration is 613 consecutive calendar days; and

WHEREAS, The Public Works Commission has reviewed the FMND, the Planning Commission Resolution, the CEQA Findings, the MMRP, the Statutory Exemption, and the CEQA Determination, and the preceding documents are on file with the Public Works Commission Affairs Manager, and are incorporated herein by reference; now, therefore, be it

RESOLVED, That this Commission finds that the work performed under this contract, with the adoption of the applicable mitigation measures contained in the MMRP, would not cause new significant impacts or a substantial increase in the severity of impacts identified and analyzed in the FMND, no changes have occurred in the BSP since the adoption of the FMND that would cause new significant impacts or a substantial increase in the severity of impacts identified and analyzed in the FMND, and no new information has emerged that would materially change the analysis or conclusions set forth in the FMND; and that the actions approved herein would not necessitate implementation of additional or considerably different mitigation measures than those identified in the FMND; and be it

FURTHER RESOLVED, That in compliance with Chapter 31 of the San Francisco Administrative Code, this Commission adopts as its own the CEQA Findings, the MMRP, and the Planning Department’s determination in the CEQA Determination that there is no substantial evidence that the pavement resurfacing, curb ramp upgrades, traffic control improvements, and other associated infrastructure work performed under this contract could have a significant effect on the environment; and be it

FURTHER RESOLVED, That this Commission approves the Director's recommendation to award the Various Locations Pavement Renovation No. 71A and Sewer Replacement (Sourcing ID No. 0000005927) contract to the sole responsive, responsible bidder;

FURTHER RESOLVED, That this Commission hereby awards the Various Locations Pavement Renovation No. 71A and Sewer Replacement (Sourcing ID No. 0000005927) contract to Esquivel Grading & Paving Inc. in the amount of \$8,201,484.40 with \$820,148.44 for contingency, and with 613 consecutive calendar days with 61 consecutive calendar days of contingency to perform pavement resurfacing, curb ramp upgrades, traffic control improvements, sewer replacements and other associated infrastructure work on specified streets in the City and County of San Francisco.

*I hereby certify that the foregoing resolution was adopted by the Public Works Commission at its meeting of \_\_\_\_\_.*

---

Commission Affairs Manager  
Public Works Commission