



REPORT TO CITY COUNCIL

DATE: NOVEMBER 9, 2016

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER 

BY: RAMIRO S. ADEVA, PUBLIC WORKS DIRECTOR/CITY ENGINEER 

SUBJECT: REJECT ALL BIDS FOR THE AGOURA ROAD WIDENING – FIBER OPTIC PROJECT; NIB 14-01A, AND REQUEST AUTHORIZATION TO SEEK BIDS FOR A REVISED BID PACKAGE

On September 14, 2016, City Council authorized staff to seek bids for the Agoura Road Widening – Fiber Optic Project; NIB 14-01A. The scope of work consisted of installing a fiber optic interconnect within Agoura Road, between the westerly City limits to Cornell Road. In addition, CCTV cameras were planned to be installed at the signalized intersections to allow monitoring of traffic within the City.

On October 13, 2016, the City received three (3) sealed bids for the Project. The bid results were as follows:

CONTRACTOR	TOTAL BID AMOUNT
Taft Electric Company	\$668,078.42
Sturgeon Electric California, LLC	\$1,127,000.00
Tetra Tech Utility Construction, Inc.	\$1,783,852.35

The lowest apparent bidder was Taft Electric Company. As a comparison, the Engineer's Estimate for the project was \$692,500.00, a 3.5% difference from the apparent low bid.

On October 17, 2016, the City received written notification from Taft Electric Company (copy of letter attached) stating that their total bid amount was incorrect due to a "clerical error." Due to this error, Taft Electric Company requested to rescind their bid and relieve them of their bid bond security. Under Public Contract Code, Section 5103, a bidder may be relieved of their bid proposal if a mistake was made in filling out the bid, and written notice is provided to the City within five (5) working days.

After reviewing Taft Electric's letter and consulting the City Attorney, Taft Electric's bid will be rescinded and they will be relieved of their bid proposal. Their bid bond security will be released as well.

Furthermore, because the other two bids are more than 40-60% higher than Taft Electric, all bids should be rejected.

Staff intends to review the scope of work and condense the project work limits for a new revised bid package. The tentative schedule to re-bid the project would be as follows:

- Advertise Bids: November 17, 2016
- Open Bids: December 15, 2016
- Award Contract: January 11, 2017
- Expected Project Completion: March/April 2017

This project is incorporated as part of the Agoura Road Widening Project, and will be funded entirely through Measure R.

RECOMMENDATION

Staff respectfully recommends the City Council:

1. Reject all bids received for the Agoura Road Widening – Fiber Optic Project; NIB 14-01A; and
2. Authorize staff to seek bids for a revised bid package for the Agoura Road Widening – Fiber Optic Project.

Attachment: Request letter from Taft Electric dated 10-17-16 to rescind bid proposal and release bid security

TAFT ELECTRIC COMPANY

ELECTRICAL CONTRACTORS

STATE LICENSE NO. 772245 and DIR# 1000000149

P. O. BOX 3416 - 1694 EASTMAN AVENUE - VENTURA, CALIFORNIA 93003 - (805) 642-0121 - FAX (805) 650-90

CITY OF AGOURA HILLS

2016 OCT 17 PM 3:12

CITY CLERK

10.17.16

City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA. 91301
Honorable Mayor and City Council

Attn: City Engineer

Subj: City of Agoura, Agoura Road Widening-Fiber Optic Project NIB# 14-01A

To Whom it may concern"

On October 13, 2016 at approximately 10am bids for the above mentioned project were publicly opened and read aloud, the undersigned, Taft Electric Company, submitted the apparent low bid in the amount of \$668,078.42

Upon our bid runner, who submitted the sealed bid and was present at the bid opening, informing us of the bid results and read aloud amounts, we noticed that our total bid was in error, and found a discrepancy in the typing in of the unit price and total for Item #3.

The nature of this mistake is a clerical error and occurred as follows;

Taft Electric Company's clerical assistant inadvertently typed in \$31.08 instead of \$61.08 for the unit price item for bid item #3 in an auto populate spread sheet, which lead to a total of \$ 360,528.00 and not the required \$ 708,528.00. This in turn was typed on to the bid-form in an error of \$348,000.00. Our bid total amount should have been read aloud as \$ 1,016,078.42, and not \$668,078.42

The mistake occurred in filling out the bid-form and not due to an error in judgement or to carelessness of inspecting the site of work, or reading the plans and specifications.

Because of this mistake and competitive nature of this bid, we cannot accept an award of contract and we reluctantly must elect to rescind our bid and request that the City of Agoura Hills relieve us of our bid proposal and release our bid bond security.

I declare under penalty of perjury that the foregoing is true and correct.

Executed: October 17, 2016 at Ventura, California

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Derrick R. Means, Chief Estimator

Please advise us as soon as possible the intended actions to be taken by the City of Agoura Hills in regard to this matter.

Respectfully,



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