REPORT TO CITY COUNCIL

DATE: JANUARY 25, 2017

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: RAMIRO ADEVA, DIRECTOR OF PUBLIC WORKS/CITY ENGINEER

SUBJECT: REJECTION OF BID FOR THE FISCAL YEAR 2016-17 CONCRETE

REPAIR PROJECT, NIB 16-05; AND AUTHORIZATION TO SOLICIT BIDS FOR FISCAL YEAR 2016-17 CONCRETE REPAIR PROJECT, NIB

16-05(b)

On October 26, 2016, the City Council authorized staff to seek bids for the Fiscal Year 2016-17 Concrete Repair Project; NIB 16-05. The scope of work consisted of repairing lifted sidewalks, broken curbs and gutters, and constructing two (2) ramps within the City.

On December 1, 2016, the City Clerk received one (1) sealed bid from Berry General Engineering Contractors, Inc. in the amount of \$142,701.50. The bid amount is \$44,168.50 higher than the total project budget of \$98,533. Since no other bids were submitted, a bid comparison is not feasible to determine whether the unit prices in the bid are competitive.

Therefore, without adequate funding being available, and the inability to determine whether the proposed bid contains the lowest possible unit prices for the project, staff cannot recommend moving forward at this time.

In light of this, staff intends on reviewing the scope of work and making any modifications necessary to increase the confidence and probability of receiving bids that are financially feasible and competitive.

For this second attempt at securing a contractor for this work, staff intends to solicit bids in conformance with Section 21104(b) of Chapter 11, Article II of the City's Municipal Code, which states that for projects of \$175,000 or less, the City may directly contact three (3) prospective bidders to request written bids. Upon receiving the three (3) bids through this procedure, award of the contract is given to the lowest responsible bidder. Although this section of the Municipal Code allows the City Manager, or his/her designee, to formally award the contract, staff will recommend award of the contract at a future General Meeting of the City Council in March.

RECOMMENDATION

Staff respectfully recommends:

- (1) The City Council reject the one bid received for the Fiscal Year 2016-17 Concrete Repair Project; NIB 16-05.
- (2) Direct staff to review the scope of work and make any necessary modifications to yield a financially feasible and competitive project.
- (3) Authorize staff to proceed with bidding the Fiscal Year 2016-17 Concrete Repair Project; NIB 16-05(b), in conformance with the bidding procedures set forth by Section 21104(b) of Chapter 11, Article II of the City's Municipal Code.