

Report to Mayor and City Council

Tuesday, September 07, 2021 Consent

SUBJECT:

CONSIDER REJECTION OF BID FOR PROJECT NO. 1665: 189TH STREET PEDESTRIAN BRIDGE REPAIR (CITY COUNCIL)

I. SUMMARY

On May 4, 2021, the City Council approved the Plans, Specifications, and Estimates for Project No. 1665: 189th Street Pedestrian Bridge Repair, and authorized staff to advertise for construction bids. The estimated cost of the project was \$333,400.00 and the project went out to bid.

Only one (1) bid was received at a cost considerably higher than the estimate. Staff has discussed and re-evaluated the City's options with respect to the high bid pricing with the City Attorney's Office and tasked the project team with seeking additional funding to cover the increased cost. So far, the City has been unsuccessful in obtaining more outside funds.

City Staff requests that City Council reject the bid received and authorize staff to readvertise in an effort to receive more competitive and responsive bids. Staff will try to reach additional contractors to increase their interest in bidding on the project.

II. <u>RECOMMENDATION</u>

Take the following actions:

- 1. REJECT the bid received for Project No. 1665 189th Street Pedestrian Bridge Repair.
- 2. AUTHORIZE staff to re-advertise in an effort to receive more competitive and responsive bids.

1.

III. ALTERNATIVES

- 1. DO NOT reject the bid.
- 2. TAKE another action the City Council deems necessary and appropriate at this time consistent with the requirements of the law.

IV. BACKGROUND

Project No. 1665 - 189th Street Pedestrian Bridge Repair is one of the City's Capital Improvement Program (CIP) projects. The Pedestrian Bridge located at 189th Street has previously been determined to be in poor condition and is closed for public access. This bridge serves as a direct access from the nearby residential area to the Victoria Golf Course area across the flood control channel.

The City retained services of JMC2, Inc. to conduct a full analysis of the bridge and prepare the plans and specifications necessary to complete the project. The project involves the removal and replacement of metal decking and concrete panels, removal and replacement of pedestrian bridge fencing, and installation of solar lighting.

On May 4, 2021, the City Council approved the Plans, Specifications, and Estimates, and authorized staff to advertise the project for construction bid for Project No. 1665: 189th Street Pedestrian Bridge Repair. The City advertised the Invitation for Bids (IFB) in the Daily Journal and on Planet Bids from May 20, 2021 to June 7, 2021.

A mandatory pre-bid meeting was held at the project location on 189th Street on June 3, 2021, which was attended by two (2) contractors. Sealed bids were due on June 7, 2021, and one (1) bid was received and opened by the City Clerk with the result as follows:

| BIDDER | LOCATION | TOTAL BID |
|-----------------------------------|------------|--------------|
| Beador Construction Company, Inc. | Corona, CA | \$558,300.00 |

The original estimated project cost was \$333,400.00. Beador Construction Company, Inc. (Beador) submitted its bid of \$558,300.00, which is \$224,900.00 over the estimated cost (Exhibit No. 1). Staff has discussed and reevaluated the bid results with the project team to clarify and seek additional funding but was unsuccessful in securing more funds to cover the shortfall. Given that only one bid was received, staff is not certain if the bid is reasonable due to lack of other bids for comparison. For these reasons, staff recommends rejecting the bid and readvertising the project to solicit more bids.

Staff was advised by the City Attorney's Office that pursuant to Section 22038 of the Public Contract Code under the Uniform Public Construction Cost Accounting Act, a public agency may reject any bids presented and has the option to readvertise the project, provided that

the public agency furnishes a written notice to an apparent low bidder. In addition, per the Carson Municipal Code, Chapter 6, Section 2612(d), "Bid Acceptance or Rejection," the awarding authority may reject any and all bids presented and may resolicit for bids in its discretion. On August 5, 2021, staff sent a letter to Beador providing the required notification.

Therefore, staff requests that the City Council reject the bid by Beador Construction Company, Inc. and instruct staff to readvertise the project in effort to receive more competitive bids.

V. FISCAL IMPACT

None, rejecting a bid does not have a direct fiscal impact to the City.

VI. EXHIBITS

1. Beador's Bid IFB 21-11(Pgs. 4-27).

1.

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