



Legislation Details (With Text)

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Title:	CONSIDER REJECTION OF BIDS FOR PROJECT NO. 1393-4: CITYWIDE ANNUAL OVERLAY PROGRAM AND PROJECT 1411-4: CITYWIDE ANNUAL CONCRETE REPLACEMENT PROGRAM FOR MAIN STREET FROM CARSON STREET TO VICTORIA STREET (CITY COUNCIL)				
Sponsors:					
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Attachments:	1. Exhibit 1 - IFB-22-07 Bids, 2. Line Item Import Template				

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, April 19, 2022

Consent

SUBJECT:

CONSIDER REJECTION OF BIDS FOR PROJECT NO. 1393-4: CITYWIDE ANNUAL OVERLAY PROGRAM AND PROJECT 1411-4: CITYWIDE ANNUAL CONCRETE REPLACEMENT PROGRAM FOR MAIN STREET FROM CARSON STREET TO VICTORIA STREET (CITY COUNCIL)

I. SUMMARY

On January 4, 2022, the City Council approved the Plans, Specifications, and Estimates for Project No. 1393-4: Citywide Annual Overlay Program and Project 1411-4: Citywide Annual Concrete Replacement Program for Main Street from Carson Street to Victoria Street and authorized staff to advertise the project for construction bids. The estimated cost of the project was \$3,500,000.00 and the project went out to bid.

Four (4) bids were received but the total amounts were inaccurate due to the bidders bidding on conflicting line items and quantities between the line items manually input on PlanetBids and the bid schedule listed on the PDF (Exhibit 1).

City Staff requests that City Council reject the bids received and authorize staff to re-advertise the project in an effort to receive accurate bid amounts. Purchasing Division staff will try a different approach in posting the invitation for bids on PlanetBids to ensure this

mix-up will not occur again.

II. RECOMMENDATION

Take the following actions:

1. REJECT the bids received for Project No. 1393-4: Citywide Annual Overlay Program and Project 1411-4: Citywide Annual Concrete Replacement Program for Main Street from Carson Street to Victoria Street.
2. AUTHORIZE staff to re-advertise the project for construction bids in an effort to receive accurate bid amounts from all bidders.

III. ALTERNATIVES

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

IV. BACKGROUND

On January 4, 2022, the City Council approved Item No. 18 approving the Plans, Specifications, and Estimates for Project No. 1393-4: Citywide Annual Overlay Program and Project 1411-4: Citywide Annual Concrete Replacement Program for Main Street from Carson Street to Victoria Street and authorized staff to advertise the project for construction bids. The estimated cost of the project was \$3,500,000.00 and the project went out to bid.

The City of Carson utilizes PlanetBids for the advertising of projects and accepting bids from interested contractors. PlanetBids is a web-based system that provides a platform for advertising projects and is well-known throughout the industry.

Advertising a project into PlanetBids involves uploading the Bid Package (also known as Plans, Specifications and Estimates or PS&E). The Bid Package contains the relevant documents for bidding such as the 1) Front Specifications which include the Bid Schedule (based on the Engineer's estimate) and Contract Documents, 2) Special Provisions, and 3) Technical Provisions. In addition to uploading the Bid Package to advertise a project, PlanetBids requires the uploading of the line items of the Bid Schedule with an import template provided by PlanetBids in Excel format (Exhibit 2). This import template requires the manual input of each line item of the Bid Schedule.

For this project, the original bid package and import template were both inputted several days before the actual advertising date as is customary. However, as is often the case, new data and information is received regarding a project that requires the Engineer's estimate to be revised to better reflect the current requirements of the project and hence provide a more accurate estimate. The Engineer's estimate was revised and hence the Bid Package was revised and uploaded into PlanetBids. However, the Line Item Import

Template was not updated to reflect the new items and quantities resulting in a discrepancy between the Bid Package Bid Schedule in PDF format and the imported Line Item in Excel Format.

The Bid Package and the Line Item are both visible to the bidders. Despite the discrepancies, the bidders proceeded to form their bids without raising questions to the City. As can be seen in Exhibit 1, the bidders took the liberties to cross out certain quantities and insert line items without asking for clarification, resulting in bids that are confusing, error-ridden and inaccurate.

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 April 7, staff sent a letter to all the bidders thereby providing the required notification.

Because of this error, the bids received 1) do not accurately estimate the Engineer's estimate, and 2) cannot be compared with one another.

To avoid this error in the future, the Engineering Department along with Finance and the City Attorney will review the current PlanetBids process currently utilized by City staff and find ways to improve the process by which the City of Carson uploads and imports their bids.

Therefore, staff requests that the City Council reject all the bids received for IFB-22-07 and instruct staff to readvertise the project in effort to receive accurate bids.

V. FISCAL IMPACT

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

VI. EXHIBITS

1. Bid Schedules received from all bidders (pgs. 4-11)

2.	Line	Item	Import
Template (pg. 12)			

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