



**DATE:** June 7, 2016

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **2015-16 Concrete Sidewalk and Curb Repairs, Project 16-06, and Biennial Installation of ADA Curb Ramps, Project 16-24 – Reject Bids**

### **RECOMMENDATION**

Reject all bids received for the 2015-16 Concrete Sidewalk and Curb Repairs, Project 16-06, and Biennial Installation of ADA Curb Ramps, Project 16-24.

### **BACKGROUND**

The annual sidewalk replacement program replaces damaged, uplifted, and deteriorated (end-of-life) sidewalks where less-costly measures, such as ramping or grinding, are not effective.

The Americans with Disabilities Act (ADA) curb ramp installation program constructs curb ramps at locations where ramps do not exist or do not meet current ADA requirements.

On March 1, 2016, Council approved plans and specifications and authorized staff to advertise the project for bids.

### **ANALYSIS**

On May 4, 2016, staff received three bids ranging from \$293,544 to \$459,080. The apparent low bid was submitted by Dalian Construction, Inc., of Bakersfield in the amount of \$293,544.06. Following the May 4, 2016 bid opening, staff carefully reviewed the bid proposal from Dalian Construction, Inc., and found their bid proposal nonresponsive as they do not meet the experience requirements of the bid.

The second low bid was submitted by JJR Construction, Inc., in the amount of \$452,323.75. The third low bid was submitted by FBD Vanguard Construction, Inc., in the amount of \$459,080.00. Both the second and third low bids are 48 percent and

50 percent, respectively, higher than the Engineer's Estimate as shown in the table below.

**2015-16 Concrete Sidewalk and Curb Repairs, Project 16-06,  
and Biennial Installation of ADA Curb Ramps, Project 16-24**

**Bid Results**

May 11, 2016

	<b>Bidder</b>	<b>Bid</b>
1	Dalian Construction	\$293,544.06
2	JJR Construction, Inc.	\$452,323.75
3	FBD Vanguard Construction	\$459,080.00
	Engineer's Estimate	\$300,000.00

The examination of bid prices from the remaining two bids show all the unit costs were substantially higher than the Engineer's Estimate which was prepared based on the City's past bids and adjusted for inflation. Staff contacted other Bay Area cities and found that the bidding climate is extremely busy at this time.

Because the two remaining bids were considerably higher than the Engineer's Estimate and the budget, staff recommends rejecting all bids at this time. Staff proposes to include this project with next year's annual project to achieve the economies of scale of a larger project and to bid during fall or winter, when the bid climate is generally more favorable.

**FISCAL IMPACT**

The combined funding for 2015-16 Concrete Sidewalk and Curb Repairs, Project 16-06, and Biennial Installation of ADA Curb Ramps, Project 16-24, is \$375,000.

To award the project to the apparent second low bidder, the estimated total project costs would be:

Construction (including 10% contingency)	\$469,324
Design and Engineering	25,000
Inspection and Testing	20,000
Miscellaneous	<u>2,000</u>
Subtotal	\$516,324
Administration @ 6.5%	<u>33,561</u>
TOTAL PROJECT COST	<u>\$550,000</u> (rounded)

The budget shortfall would be \$175,000. Due to the current high bids, staff does not recommend proceeding with the project at this time.

### ALTERNATIVES

1. Proceed with construction by appropriating \$175,000 from the Construction/Conveyance Tax Fund to the 2015-16 Concrete Sidewalk and Curb Repairs, Project 16-06, and Biennial Installation of ADA Curb Ramps, Project 16-24.
2. Provide other direction.

### PUBLIC NOTICING – Agenda posting.

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