

Meeting Date: 8/16/2016

Report Type: Consent

Report ID: 2016-00759

Title: Rejection of Bids for Reconstruction of Sump 137

Location: District 7

Recommendation: Pass a Motion rejecting all bids received for Bid B17141321003, Reconstruction of Sump 137.

Contact: Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Brett Grant, Supervising Engineer, (916) 808-1413; Stu Williams, Senior Engineer, (916) 808-1410, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Cip Engineering

Dept ID: 14001321

Attachments:

1-Description/Analysis

City Attorney Review

Approved as to Form
Joe Robinson
8/3/2016 5:26:16 PM

Approvals/Acknowledgements

Department Director or Designee: Bill Busath - 7/27/2016 1:42:00 PM

Description/Analysis

Issue Detail: Staff recommends Council reject all bids received for the Reconstruction of Sump 137 project. On May 24, 2016, the Department of Utilities (DOU) issued an Invitation For Bid (B17141321003). On June 29, 2016, six bids were opened, which were all nearly 50 percent or more above the Engineer's cost estimate.

Policy Considerations: City Council action is required to reject bids received for a contract of \$100,000 or more.

Economic Impacts: None.

Environmental Considerations: This report concerns an administrative activity that does not constitute a "project" as defined by the CEQA Guidelines Section 15378 and is not subject to the provisions of CEQA (CEQA Guidelines Section 15060(c)(3)).

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: The project was advertised and the following six bids were received and opened on June 29, 2016).

Contractor	Bid Amount
Koch & Koch, Inc.	\$2,631,462
Mountain Cascade, Inc.	\$3,196,000
Steve P. Rados, Inc.	\$3,200,000
T & S Construction Co., Inc.	\$3,271,385
Western Water Constructors, Inc.	\$3,549,000
TTS Construction Corporation	\$4,206,255

The Engineer's estimate was \$1,850,000.

It is possible that bidding late in the season, when contractors are already busy, led to higher-than-expected bids. In addition, the Engineer's estimate did not adequately account for costs to dewater and extensively shore a deep excavation next to existing houses. Over the next several months, DOU plans to evaluate design alternatives to reduce project costs before re-bidding the project.

Financial Considerations: None.

Local Business Enterprise (LBE): None.