

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 09/10/07		Item Number: <u>A-3</u>					
AGENDA ITEM: Reject Bid Received for the Culver West Alexander Park Improvement Project, P-835.							
Contact Person/Dept.: Mate Gaspar/PW and Bill LaPointe/PR&CS		Phone Number: (310) 253-5602 / (310) 253-6682					
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒					
Public Hearing: ☐		Action Item: ☒ Attachments: ☐					
Public Notification: Master Notification List (09/05/07); Parks and Recreation Commission (09/05/07); Culver Triangle Association, Herbert Street Association, Culver West Neighborhood Association, and Del Rey Homeowners Association (09/05/07); RTI Consulting, Inc. (09/05/07), Ryco Construction (09/05/07)							
Department Approval: Charles D. Herbertson (08/30/07)		City Attorney Approval: Carol Schwab (by H. Iker) (09/04/07)					
City Controller Approval: Marlee Chang (09/04/07)		City Manager Approval: Jerry B. Fulwood (09/05/07)					
<u>RECOMMENDATION:</u> That the City Council reject the bid received for the Culver West Alexander Park Improvement Project, P-835, located at 4162 Wade Avenue, and authorize staff to negotiate with the bidder, Ryco Construction, and other contractors. <u>BACKGROUND/DISCUSSION:</u> On May 21, 2007, the City Council approved the final plans and specifications and authorized staff to advertise for bids for the Culver West Alexander Park Improvement Project, P-835. On August 23, 2007, the bids were publicly opened by the City Clerk. <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"><thead><tr><th style="text-align: center; padding: 5px;">CONTRACTOR</th><th style="text-align: center; padding: 5px;">BID AMOUNT</th></tr></thead><tbody><tr><td style="padding: 5px;">Ryco Construction, Inc.</td><td style="padding: 5px;">\$ 763,470.00</td></tr></tbody></table> Only one bid was received and it greatly exceeds the available funding for the project. City staff believes that through negotiations with bidder, Ryco Construction, Inc., and other contractors experienced with park type improvement projects, an affordable cost can be achieved for the City.				CONTRACTOR	BID AMOUNT	Ryco Construction, Inc.	\$ 763,470.00
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The City's Charter provisions regarding public works contracts¹ give the City Council the authority to reject any and all bids presented. In addition, when staff brings back the recommended contract award, the Council, by a four-fifths vote, may award a contract without complying with the bidding procedures, provided a public hearing is held on the award of the contract. As such, it would be legally permissible for the City to negotiate with the sole bidder and other contractors, once all prior bids are rejected.

Staff anticipates reaching agreement with Ryco Construction, Inc. or another contractor; however, if no agreement is achieved staff will make further recommendations to the City Council regarding re-bidding the project. It is estimated that staff will return to the City Council with a recommendation at a meeting sometime in October 2007.

FISCAL ANALYSIS:

The item presented to the City Council this evening does not create a fiscal impact. However, dependent upon the outcome of the negotiations, staff may recommend a funding adjustment for City Council's consideration of the contract award.

MOTIONS:

That the Council:

1. Reject the bids for Culver West Alexander Park Improvement Project P-835; and
2. Authorize staff to negotiate with the Ryco Construction and other contractors on behalf of the City.

¹ Charter Section 2007 provides that the procedures for awarding public works contracts as set forth in the "old" Charter will remain in effect until such time as the City Council establishes, by ordinance, different procedures. Therefore, the current procedures are set forth in "old" Charter Section 1304.