

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 5/22/05		Item Number: <u>A-9</u>	
AGENDA ITEM: Consideration to Reject the Bid for the Eveward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street - Sewer Improvement Projects			
Contact Person/Dept.: Lee Torres/PW		Phone Number: 310.253.5623	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☒
Public Notification: Master Notification List via email on May 17 th . All immediately affected residents of project site (113 total) and Clarke Construction via First Class Postcard on May 11 th .			
Department Approval: Charles D. Herbertson (05/11/06)		CAO Approval: Martin R. Cole for Jerry B. Fulwood (05/18/06)	
City Controller Approval:			

RECOMMENDATION:

Staff recommends that the City Council reject the bid received for the Eveward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street Sewer Improvement Projects, P-839, 840, 841, and 842.

BACKGROUND:

On August 22, 2005, City Council approved the plans and specifications and authorized the advertising for bids for the Eveward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street Sewer Improvement Projects (Sewer Improvement Project), P-839, 840, 841, and 842.

The project was bid in early 2006 in order to avoid construction during the winter season.

DISCUSSION:

On March 23, 2006, the Deputy City Clerk publicly opened bids. There were a total of nine bid holders, however, only one contractor responded with the following bid amount:

<u>CONTRACTOR</u>	<u>BID AMOUNT</u>
Clarke Construction, of Lawndale, CA	\$1,827,810.20

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Staff reviewed the bidder's bid documents and found the bid documents to be responsive and complete. However, only one bid for the Sewer Improvement Project was received and it was substantially higher than the Engineer's estimate.

Five of eight bid holders were contacted regarding their reason for not submitting a bid. All five contractors indicated that they did not submit bids due to their inability to take on additional workload and in their opinion the project specification's short construction schedule requirement. Also, some of the contractors indicated the escalating construction material cost is not only affecting asphalt and concrete materials but also aggregate base and any work related to hauling and disposal. Lastly, significantly higher fuel prices have affected construction bids, as mentioned by the contractors.

Staff evaluated the Sewer Improvement Project to determine where potential cost savings can be achieved without compromising construction standards, undermining the quality of the sewer improvement project, and reduction of the scope of the project. Two changes are the use of alternative backfill material as approved by the City's geotechnical engineering consultant. Another change is to replace sewer laterals only to the curb and gutter. For the portion of sewer lateral between the curb and gutter and back of sidewalk/private property line, the contractor will be required to videotape this sewer lateral portion and City's Senior Civil Engineer will determine if it needs to be replaced. Also a potential cost saving measure is increasing the construction duration from 75 to 100 calendar days, as suggested by the contractors.

Staff will advertise the Sewer Improvement Projects in June 2006 and construction contract award is anticipated in July 2006.

Public Notification

All Eeward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street residents directly affected by the project were mailed a postcard on May 11, 2006, also one was mailed to the contractor Clarke Construction amounting to a total of 114 at a cost of \$ 27.36. The postcard is attached for your reference.

FISCAL ANALYSIS:

Based on the only bid received, the total available funds in the Sewer Improvement Project budget are inadequate to award a construction contract.

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ATTACHMENTS:

- Location Map
- Postcard Notification

MOTIONS:

That the City Council:

- 1) Reject the bid received for the Eveward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street Sewer improvement Projects, P-839, 840, 841, and 842 and
- 2) Authorize re-advertising the Eveward Road, Drakewood Avenue, Whitburn Street, and Flaxton Street Sewer improvement Projects, P-839, 840, 841, & 842 .