

City of Culver City, California
City Council Agenda Item Report

Meeting Date: <u>04/13/09</u>		Item Number: <u>C-7</u>	
AGENDA ITEM: (1) Acceptance of \$2,790 in Bid Bond and Withdrawal of Bid Submitted by Dash Construction Company and (2) Award of a Contract to Bobco Metals for the Culver City Skate Park Fence Replacement Project, P-830.			
Contact	Persons/Dept.:	Hong	Phone Number: (310) 253-5604
Wang/Public Works Department			
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐	Attachments: ☒
Public Notification: Master E-Mail Notification List (04/08/09); PRCS Email Notification List of Skate Park Stakeholders (04/08/09), Bobco and all other bidders, (by telephone on 04/08/09).			
Department Approval: Charles D. Herbertson (04/02/09)		City Attorney Approval: Carol Schwab (by H. Baker) (04/07/09)	
Chief Financial Officer Approval: Jeff Muir (04/08/09)		City Manager Approval: Jerry B. Fulwood (04/08/09)	

RECOMMENDATION:

Staff recommends the City Council award a contract to Bobco Metals, as the lowest responsive and responsible bidder, to complete the necessary work for the Skate Park Fencing Project, P-830, located at 9800 Jefferson Boulevard.

BACKGROUND:

After several years of planning and anticipation, the permanent Skate Park in Culver City Park was built and opened in 2007; the dedication ceremony was held on October 27, 2007.

On October 30, 2007, \$50,000 in Los Angeles County Proposition A Excess funds were approved and became available for Skate Park amenities, as determined by the City Council. On March 4, 2008, the Parks, Recreation and Community Services (PRCS) Commission discussed suggestions for the use of the \$50,000 in Proposition A funds at the Skate Park. At that time, a list of several project elements were recommended for City Council consideration by the Commission, including: (1) A shade structure; (2) a drinking fountain; (3) permanent bleachers; (4) landscaping improvements; (5) informal observational seating improvements built into the hill adjoining the park; and, (6) trash receptacle improvements.

By the time this issue went to the City Council on April 21, 2008, the chain link fence installed at the Skate Park had been repeatedly vandalized (i.e., cut to gain access to the Park when closed). As a result, removal of the current fence and installation of tubular steel fencing was added to the list of proposed Skate Park amenities. The

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City Council approved adding the replacement of the Skate Park fence to the six amenities listed above, and authorized staff to use the available Proposition A funds accordingly, with all necessary contracts returning to the City Council for consideration and potential award. Funding for the remaining proposed Skate Park amenities has not been identified at this time.

DISCUSSION:

The Skatepark Fence Replacement Project was advertized for construction bids in the local newspaper, City's website, and in trade journals. On March 26, 2009, the Deputy City Clerk publicly opened bids. Ten Contractors responded with the following bid amounts:

<u>CONTRACTOR</u>	<u>BID AMOUNTS</u>
1. Dash Construction Company	\$27,900
2. Bobco Metals	\$60,910
3. Built-rite Fence Company	\$62,255
4. Harris Steel Fence Company	\$69,750
5. Fence Corporation, Inc.	\$107,965
6. United Fence Erectors	\$108,000
7. Guardian Fence, Inc.	\$113,740
8. Malibu Pacific	\$115,300
9. Quality Fence Company, Inc.	\$117,747
10. Alcorn Fence Company	\$123,405

The apparent lowest bid was from Dash Construction Company (Dash). Staff was informed by Dash that their bid of \$27,900 contained mistakes and the Company wished to withdraw its bid (see attachment 1). A second document submitted by Dash shows the cost from a steel fence supplier for non-galvanized steel is \$10,807 (attachment 2, dated March 31, 2009, after the bid opening date). A third document submitted by Dash indicated that the additional cost for the required hot dip galvanized steel was \$9,750 (attachment 3) and was left out in its bid proposal to the City. The Contractor was unable to provide to the City a written quote for non-galvanized steel dated before the bid opening that would have been used in the preparation of its bid.

The Public Contract Code states that specifically, the bidder must establish that: (a) a mistake was made; (b) he or she gave the public entity written notice within five days after the opening of the bids of the mistake, specifying in the notice in detail how the mistake occurred; (c) the mistake made the bid materially different than he or she intended it to be; and (d) the mistake was made in filling out the bid and not

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due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications.

Based on the evidence provided by Dash, it is the opinion of staff that the mistake in their bid was based on carelessness in their review of the plans and specifications and not due to clerical or mathematical errors.

On April 1, 2009, Dash delivered a cashier's check to the City in the amount of \$2,790 (10% of the bid amount) and requested to be relieved of the bid. Staff recommends that the City Council reject Dash's bid and accept the \$2,790 cashier's check in lieu of the bidder's bond.

Bobco Metals

Staff reviewed the bid proposal of the apparent second lowest bidder, Bobco Metals, and found the bid documents responsive and complete. Bobco Metals' bid bond, contractor's license, and worker's compensation insurance were reviewed and determined to meet City requirements. Bobco Metals has completed several similar projects for other municipal agencies in the local region. Representatives from the City and County of Los Angeles indicated that Bobco performed in a satisfactory manner on their metal fence installation projects.

Staff recommends that it is in the City's' best interest to accept Dash's request to relieve it from the bid, and award the construction contract to Bobco Metals, as the lowest responsive and responsible bidder for the Culver City Skate Park Fence Replacement Project (P-830) .

Engineering Division staff will perform construction management and, along with the Parks Division staff, will conduct the inspection of the work. Construction is expected to commence in May 2009 and is slated to be completed within twenty working days.

Pursuant to Los Angeles County Proposition A Excess Fund grant requirements, staff will bring a proposed Youth Employment Plan for this project and the Culver City Park Playground project to the City Council for consideration as soon as an appropriate role for a workforce composed of At-Risk Youth (as defined by the Los Angeles County Regional Park and Open Space District) is identified. Expenditures for the project will be not reimbursed by the Regional Park and Open Space District until a Youth Employment Plan has been adopted at a public meeting of the City Council. A plan should be forthcoming to the City Council very soon.

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FISCAL ANALYSIS:

Staff recommends that a ten percent (10%) contingency be added to Bobco Metals' base bid of \$60,910, bringing the total funding needed for the project to \$67,000. Sufficient funds are available in 42300830 (Grants Capital Fund- Prop A funds) and 42000830 (Capital Improvements and Acquisitions Fund – General Fund monies for the original construction contract for the Skate Park that are remaining) to award this construction contract.

Current Project Budget	
Funding Source	Amount
Proposition A	\$ 50,000
General Funds	\$54,411
Total =	\$ 104,411

Estimated Project Expenses	
Construction	\$60,910
Contingency (10%), if necessary	\$ 6,090
	\$ 67,000

Proposed Project Budget	
Proposition A	\$50,000
General Funds	\$17,000
	\$ 67,000

ATTACHMENTS:

1. Letter from Dash Construction Company dated March 30, 2009.
2. Quote for non hot-dip galvanized steel dated March 31, 2009
3. Quote for additional cost to galvanize steel dated March 31, 2009

MOTIONS:

That the City Council:

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1. Accept the withdrawal of the bid by Dash Construction Company and the \$2,790 cashier's check in lieu of filing a claim on the bid bond;
2. Award a construction contract to Bobco Metals for construction of the Skate Park Fencing Project in the amount of \$60,910; and,
3. Authorize the Public Works Director/City Engineer to approve change orders, if necessary, in an amount not to exceed \$6,090 (10%); and,
4. Authorize the City Attorney to review/prepare the necessary documents; and,
5. Authorize the City Manager to execute such documents on behalf of the City.