

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 09/12/05		Item Number: <u>C-4</u>	
AGENDA ITEM: Consideration by the City Council to Reject the Construction Bid Received for the Higuera Street Traffic Signal and Street Improvement Project			
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 September 7 th On September 7 th , letter notification was sent to Christopher Morales, Inc.			
Department Approval: Charles D. Herbertson 8/31/05		CAO Approval: Jerry Fulwood 9/7/05	
City Controller Approval: N/A			

RECOMMENDATION:

Staff recommends that the City Council reject the bid received for the Higuera Street Traffic Signal and Street Improvement Project, P-741.

BACKGROUND/DISCUSSION:

The project was advertised for bids during the month of August. There were a total of six (6) bid holders. Due to the lack of interest in a recently advertised bid for Krueger and Lindblade Streetlight Improvement Project, P-652 & 684, and to encourage submittal of bids, specifications and plans were mailed to the following contractors who have regularly submitted bids to the City on past projects:

Dynaetric, Los Alamitos, Ca
Steiny and Company, Baldwin Park, CA
Moore Electrical Contracting, Inc., Corona, Ca
TDS Engineering, Westlake Village, Ca
CT& F, Inc., Bell Gardens, Ca
Excel Paving, Long Beach, Ca

On August 25, 2005, the Deputy City Clerk publicly opened bids. One contractor responded with the following bid amount:

<u>CONTRACTOR</u>	<u>BID AMOUNT</u>
1. Christopher Morales, Inc., Industry, CA	\$213,950

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Upon review of the bid, it was discovered that the contractor incorrectly calculated the total base bid. The correct total base bid amount is \$230,750, not the \$213,950 that was submitted. In cases of discrepancies between the 'totals' and 'unit prices', the Specifications states that the 'unit price' shall prevail. Therefore, the total base bid for the proposed project is \$230,750.

The total base bid amount exceeds the engineer's estimate and the available construction budget including the 10% construction contingency.

Also staff contacted the bid holders and all of them stated that their current workload combined with the small size of the project were the reason for not bidding the project.

Staff recommends that in order to obtain more interest from contractors, the Higuera Street Traffic Signal and Street Improvement Project, P-741, should be advertised for public bids with the Krueger and Lindblade Streetlight Project, P-652 & 684. Both projects are in close proximity and the same contractors typically bid street lighting and traffic signal projects. Also, combining the projects will encourage more competitive bids and potentially result in an overall lower bid amount.

Public Notification

On September 7, 2005, Christopher Morales, Inc was notified via letter regarding tonight's Council Meeting.

FISCAL ANALYSIS:

Based on the recommended motion below, it is not advisable to inform potential bidders of the project budget. The budget will be presented to the City Council by a separate memorandum.

MOTIONS:

That the City Council:

- 1) Reject the bid received from Christopher Morales, Inc. for the Higuera Street Traffic and Street Improvement Project, P-741; and,
- 2) Authorize re-advertising for construction bids for the Higuera Street Traffic and Street Improvement Project, P-741, with the Krueger and Lindblade Streetlight Improvement Project, P-652 & 684, in October 2005.