

**FOR: DESIGN-BUILD 5 LEARNER POOLS HEALTH CODE UPGRADES AT VARIOUS CITY OF
FRESNO COMMUNITY CENTERS**

Bid File No.3575
Bid Opening:11/10/17

BIDDERS

BID AMOUNT

1. California Commercial Pools
2255 E Auto Centre Drive
Glendora, CA 91740

\$889,000.00

Each bidder has agreed to allow the City sixty-four (64) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Monday, December 4, 2017 by 5:00 P.M.

The Engineer's Estimate/Budget Allocation for this expenditure is \$ 366,100.00. The contract price is 242.8 % above the Engineer's Estimate/Budget Allocation. If the overage is greater than 10% or only one bid was received, give explanation:

The RFP directed cost submittals to be presented by pool and in lump sum totals. Given the lack of detail required with the cost breakdowns, it is difficult to ascertain specific factors that affected the overage. Therefore, it is hard to determine where, or by how much, specific costs deviated from the 2016 Formal Assessment, which outlined significantly lower totals for the scope of work. Staff believes there may have been several factors that caused the increased cost and significant overage. Following are a few of the potential factors:

1. Since the original assessment was completed, the UBC (Universal building code) was updated/revised;
2. As a CDBG funded project, additional reporting requirements are mandated upon the contractor and sub-contractors;
3. The project was advertised as a "design/build". It is possible, the design element may have caused an inflated overall bid (i.e., third party cost estimates may have resulted in cost adjustments above industry standards).
4. Time. Nearly two years has passed from the time of the original assessment to the actual project solicitation and bid opening.

BACKGROUND OF PROJECT: The five learner pools located at Einstein Park, Fink-White Park, Pinedale Center, Quigley Park and Romain Park were built in the 1940s to the 1970s. All pools are operated in the summer months only, when school is not in session, and are drained for the winter. The County of Fresno Environmental Health Department inspected the pools in October of 2015 and submitted requirements for various improvements that they expected to be completed to bring the pools up to current health code standards.

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Pool consultant, Jones & Madhavan, prepared a report dated February 8, 2016, that provided an analysis of each pool and an engineer's estimate of probably costs. A request for proposal for design-build services was prepared and advertised for bid on Planet Bids, The Business Journal and several Builder's Exchanges throughout California. In addition, extensive outreach was done to generate bidder interest, but only one bid was received.

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DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

☐ Award a contract in the amount of \$_____ to _____ as the lowest responsive and responsible bidder.

Remarks:

☒ Reject all bids. Reason: The only bid received came in 242.8% over the engineer's estimate. In addition, four of the five pools are funded by CDBG funds, and CDBG is requiring the City to rebid the project in order to have access to this funding source.

Department Head Approval

Title Director of PARCS Department

Date _____

EVALUATION OF BID PROPOSALS

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A DBE goal of 12.7% Minority participation and 6.9% Women participation was established for this project. The recommended Contractor complied with the DBE requirements pursuant to the bid specifications.

<u>DBE Program Coordinator</u>	<u>Date</u>
<input checked="" type="checkbox"/> Approve Dept. Recommendation	<input type="checkbox"/> Approve Finance/Purchasing Recommendation
<input type="checkbox"/> Disapprove	<input type="checkbox"/> Disapprove
<input type="checkbox"/> See Attachment	

FINANCE DEPARTMENT

CITY MANAGER

Purchasing Manager Date

City Manager or Designee Date

Finance Director Date

FISCAL IMPACT STATEMENT

PROGRAM:

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	_____	_____
Indirect Cost	_____	_____
TOTAL COST	_____	_____
Additional Revenue or Savings Generated	_____	_____
Net City Cost	_____	_____
Amount Budgeted (If none budgeted, identify source)	_____	_____