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**Title:** Reject all bids for the construction of a Solid Waste Convenience Center at 4111 N. Winery Avenue (Bid File 3691) (Council District 4)

**Sponsors:** Department of Public Utilities

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**Attachments:** 1. Attachment 1 - Bid Evaluation 3691.pdf, 2. Attachment 2 - SWCC Vicinity Map.pdf

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**REPORT TO THE CITY COUNCIL**

**August 27, 2020**

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Department of Public Utilities

**THROUGH:** JERRY L. SCHUBER, SR., Assistant Director - Solid Waste  
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**SUBJECT**

Reject all bids for the construction of a Solid Waste Convenience Center at 4111 N. Winery Avenue (Bid File 3691) (Council District 4)

**RECOMMENDATIONS**

Staff recommends that Council reject all bids for the construction of a solid waste convenience center (Facility).

**EXECUTIVE SUMMARY**

The Department of Public Utilities (DPU) solicited Contractor services for the construction of a Facility

at 4111 N. Winery Avenue. Agee Construction Corporation, was found to be the lowest responsive and responsible bidder with a bid in the amount of \$2,395,512. The proposed Facility is essential in reducing illegal dumping of trash, furniture, appliances, and construction debris on public streets, vacant lots, and alleys. The Solid Waste Division budget currently does not have sufficient funds to award a Contract therefore Staff recommends rejection of all bids for the Project.

## **BACKGROUND**

The City is grappling with a growing problem related to the illegal dumping of trash, furniture, appliances, and construction debris on public streets, vacant lots, and alleys. Illegal dumping creates health and safety issues, spreads blight, and the cost of removal is a financial burden on the City and local taxpayers. The City currently utilizes a complaint based approach to cleaning up illegal dumping sites, as well as implementing a citywide "Operation Clean-Up" program where City crews go to neighborhoods once a year to collect bulky items, trash, and green waste. Despite the City's efforts, illegal dumping persists, and has been increasing in recent years. In order to address the problem of illegal dumping, the City wants to take a more proactive approach by developing a network of Facilities where residents may drop off bulky items, appliances, construction debris, garage cleanout material, and other non-hazardous household materials.

The Facilities are intended to provide a clean, safe, and organized place for residents to dispose of recyclable materials such as cardboard, paper, and metal, as well as household appliances, furniture, and construction debris such as wood, drywall, green waste, dirt, rock, and concrete.

The Solid Waste Management Division has selected an area near the corner of North Chestnut and North Winery Avenues intersection as the first location for a Facility.

In order to construct the facility, DPU solicited Contractor services through the bidding process. A notice inviting bids was published in the Business Journal and posted on the City of Fresno website on February 28, 2020. Project plans and specifications were distributed to 17 prospective bidders. Five sealed bid proposal were received and unsealed in a public opening on April 14, 2020.

Agee Construction Corporation submitted a bid price in the amount of \$2,395,512 and is the lowest responsive and responsible bidder. The Staff Determination of Award was posted on the City of Fresno website on August 20, 2020. The price submitted is 17.6% above the Engineer's Estimate of \$2,036,323.

With the bids being over the Engineer's Estimate and insufficient budget, staff recommends Council reject all bids at this time and place project on indefinite hold.

## **ENVIRONMENTAL FINDINGS**

By definition provided in the California Environmental Quality Act (CEQA) Guideline Section 15378, the rejection of all bids does not qualify as a "project" and is therefore exempt from CEQA requirements.

## **LOCAL PREFERENCE**

Local preference is not applicable as this action is not recommending award of a contract.

## **FISCAL IMPACT**

The rejection of all bids has no financial impact to the Solid Waste Enterprise Fund or the General Fund.

### Attachments:

Attachment 1 - Bid Evaluation

Attachment 2 - Vicinity Map