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Title: Reject the bid for the Friant Road Median Island Cap Restoration Project - Bid File No. 3560 (Council Districts 2 and 6)

Sponsors: Public Works Department

Indexes:

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Attachments: 1. 18-0763 Bid Evaluation.pdf, 2. 18-0763 Vicinity Map.pdf

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REPORT TO THE CITY COUNCIL

July 26, 2018

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SUBJECT

Reject the bid for the Friant Road Median Island Cap Restoration Project - Bid File No. 3560 (Council Districts 2 and 6)

RECOMMENDATION

Staff recommends that the City Council reject the bid submitted by Avison Construction Inc., in the amount of \$677,315 for the Friant Road Median Island Cap Restoration Project and direct staff to rebid the project.

EXECUTIVE SUMMARY

The existing Friant Road median islands from Nees Avenue to Fresno Street are currently capped with asphalt. This project proposes to remove the existing median island cap, beautify the median islands with decorative stamped concrete, drought resistant trees, shrubs and ground cover, and install water-efficient irrigation. The existing median curb will not be disturbed and no changes to the roadway geometrics are proposed. This project is located within Council Districts 2 and 6, and enters Caltrans Right of Way.

The only bid submitted on the project was from Avison Construction Inc. in the amount of \$677,315. As this amount exceeds the project budget, awarding a contract is not possible; staff recommends that City Council reject the bid for the Friant Road Median Island Cap Restoration Project and direct staff to rebid the project.

BACKGROUND

The Friant Road Median Island Cap Restoration Project was initiated when the project was incorporated in the FY 2017 Capital Budget as adopted by the Council. The Friant Road median island concrete cap represents the only capital improvement which was not completed out of Urban Growth Management (UGM) Major Street Zone "A", with the balance of UGM funds in this zone to be utilized to complete the hardscape improvements. As a gateway into a prominent commercial area for the City, the asphalt cap is recommended for replacement with decorative stamped concrete and median island trees. The project was designed in-house by Public Works staff with assistance from a landscaping consultant via informal contract of less than \$5,000. The design started in February of 2017 and took approximately 14 months to complete. As this segment of Friant Road crosses under the State Route 41 bridges, approval of an encroachment permit from the State of California, Department of Transportation (Caltrans) is required.

Public Works staff believes the high bid amount on the project was due to the restrictive traffic control requirements placed on the project by Caltrans, as well as the overall higher bid prices in the local market resulting from the large influx of developer and governmental capital projects which are currently ongoing. This resulted in low interest from potential bidders and likely increased the one bid received by the City's Purchasing Division. Staff will also reexamine the project scope and implement some value engineering to deliver the project within the available budget.

The Notice Inviting Bids was published in the Business Journal on April 16, 2018, and was also posted on the City's website and faxed to thirteen (13) building exchanges. The specifications were distributed to four (4) prospective bidders. Only one (1) sealed bid proposal was received and opened in a public bid opening on May 1, 2018, with the bid reading of \$677,315. Awarding the contract to the sole bidder is not possible because it exceeds the project budget. The expiration date of the bid is August 31, 2018. Therefore, staff recommends the Council reject the bid that was submitted and direct staff to rebid the project.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines, Section 15378, the rejection of all bids does not qualify as a "project" as defined by the CEQA requirements.

LOCAL PREFERENCE

Local preference was not implemented because this item is the rejection of the one bid that was received.

FISCAL IMPACT

A rejection of the bid will result in additional staff costs in order to reevaluate the design and to put the project back out to bid. The adopted project budget has sufficient funding to cover the additional staff costs in order to rebid the project. There will be no impact to the General Fund.

Attachments:
Bid Evaluation
Vicinity Map