



Staff Report

Date: August 2, 2016

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Victoria Walker, Director of Community and Economic Development

Prepared by: Mario Camorongon, CIP Manager
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Subject: **Considering Rejection of the Sole Bid Submitted by Ghilotti Construction Company, Inc. of Novato for the Measure Q Pavement Repair Project #2 – Solano Way, Wren Avenue and Sixth Street Pavement Rehabilitation Project (Project No. 2361); and directing staff to re-advertise the project for bids (Funded by Measure Q)**

Report in Brief

The Measure Q Pavement Repair Project #2 – Solano Way, Wren Avenue and Sixth Street Pavement Rehabilitation Project (Project No. 2361) consists of pavement rehabilitation improvements on Solano Way from Broadmoor Avenue to the City Limit, Wren Avenue from Farm Bureau Road to Clayton Way, and Sixth Street from Clayton Road to Willow Pass Road. Work will also include miscellaneous concrete: curb ramp, valley gutter, and sidewalk improvements as needed.

The project was comprised of a Base Bid and three Additive Bids. The Base Bid of the project included pavement rehabilitation of Solano Way (from Broadmoor Ave. to Marsh Drive), Wren Avenue (from Sixth Street to Clayton Way), and Sixth Street (from Clayton Road to Willow Pass Road). Additive Bids are: Additive Bid 1 - Solano Way (from Marsh Drive to Arnold Industrial Way), Additive Bid 2 - Wren Avenue drainage improvements, and Additive Bid 3 - Wren Avenue fiber optics improvements.

Bids were opened on Thursday, June 30, 2016. One bid was received from Ghilotti Construction Company of Santa Rosa (Ghilotti) with a responsible and responsive Total Bid (Base Bid plus Additive Bids 1, 2 and 3) in the amount of \$3,448,458. Ghilotti has an appropriate and valid contractor's license and satisfactory work references.

City Council Agenda Report

Considering Rejection of the Sole Bid Submitted by Ghilotti Construction Company, Inc. of Novato for the Measure Q Pavement Repair Project #2 – Solano Way, Wren Avenue and Sixth Street Pavement Rehabilitation Project (Project No. 2361)
August 2, 2016

The available project funds of \$2,890,000 are insufficient to cover the costs of all of the designed improvements, the construction management and inspection services and an appropriate construction contingency.

Recommended Action

Staff recommends that the City Council reject the bid submitted by Ghilotti Construction Company, Inc. of Novato for the Measure Q Pavement Repair Project #2 – Solano Way, Wren Avenue, and Sixth Street Pavement Rehabilitation Project (Project No. 2361); and direct staff to re-advertise the project for bids.

Background

Measure Q Pavement Repair Project 2 (Project No. 2361) was approved by Council on October 6, 2015 to design and construct pavement rehabilitation improvements on Solano Way from Broadmoor Avenue to the City Limit, Wren Avenue from Sixth Street to Clayton Way, and Sixth Street from Clayton Road to Willow Pass Road with a total funding of \$3,100,000. The proposed work includes pavement restriping and marking to include “share the road” bike markings and signs. Work will also include miscellaneous concrete working including curb ramp, valley gutter, curb and gutter, and sidewalk improvements as needed. Storm drain improvements and installation of fiber optics and pull boxes are also included. Project design has been completed, and the funds remaining are \$2,980,000.

Analysis

This project was put out to bid as required by State law and City policy. The Engineer’s Estimate for the Total Bid, based on the final design was \$2.91 million. One bid from Ghilotti Construction Company (Ghillotti) was received in the amount of \$3,448,458 for the Total Bid (Base Bid plus Additive Bids 1, 2 and 3). A summary of the bid by schedule is as follows:

| BID SCHEDULE | Engineer's Est. | Ghilotti Construction |
|--|------------------------|------------------------------|
| BASE BID - SOLANO WAY (BROADMOOR AVENUE TO MARSH DRIVE), WREN AVENUE SIXTH STREET | \$2,294,985 | \$2,911,511 |
| ADDITIVE ALTERNATE #1 - SOLANO WAY (ARNOLD INDUSTRIAL WAY TO MARSH DRIVE) | \$440,383 | \$415,197 |
| ADDITIVE ALTERNATE #2 - WREN AVENUE DRAINAGE IMPROVEMENTS | \$108,250 | \$85,400 |
| ADDITIVE ALTERNATE #3 - WREN AVENUE FIBER OPTIC IMPROVEMENTS | \$67,800 | \$36,350 |
| TOTAL BID | \$2,911,419 | \$3,448,458 |

City Council Agenda Report

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There was one additional contractor who was a plan holder but did not submit a bid. Staff contacted the contractor to identify the reasons why they did not submit a bid. The contractor stated that they are currently too busy with other projects to prepare and submit a bid proposal.

Because of the lack of competitive bids (only one contractor submitting), and because the sole bid received exceeded the Engineer's Estimate by 18% , and even the Base Bid alone exceeds the available budget, staff does not recommend award of the project at this time.

Based on the above, staff has evaluated a few modifications to the project that should provide a better result when the project is re-bid. The proposed modifications include:

- ✓ Re-package the bid proposal form to segregate the current Base Bid into separate bid schedules to allow for additional flexibility in contract award;
- ✓ Advertise the project for bid between late November 2016 and January 2017. It is hoped that more contractors will be available during this winter season to bid on projects in advance of the spring construction season.

Environmental Review

CEQA does not apply to a rejected bid. If the project is rebid and awarded in the future, CEQA review would occur at that time.

Financial Impact

Rejecting the single bid, repackaging the Plans and Specifications, and re-bidding the project, as staff recommends, will result in an estimated cost of \$5,000. There are sufficient funds in the project to cover this cost.

Public Contact

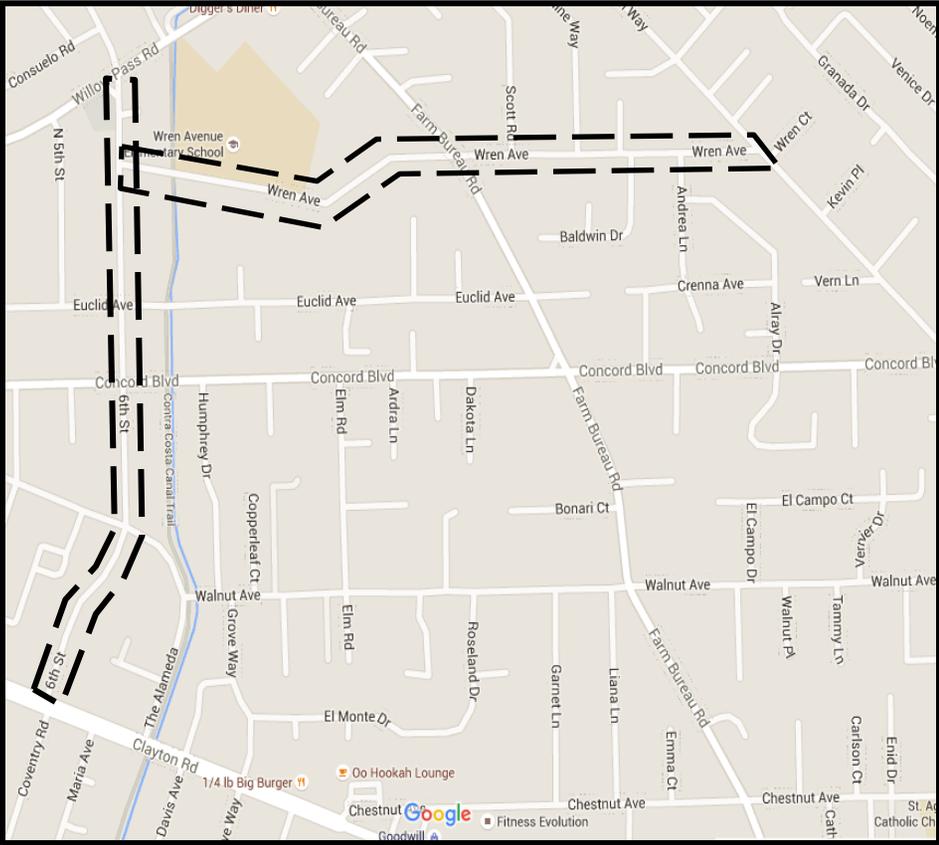
The City Council Agenda was posted.

Attachments

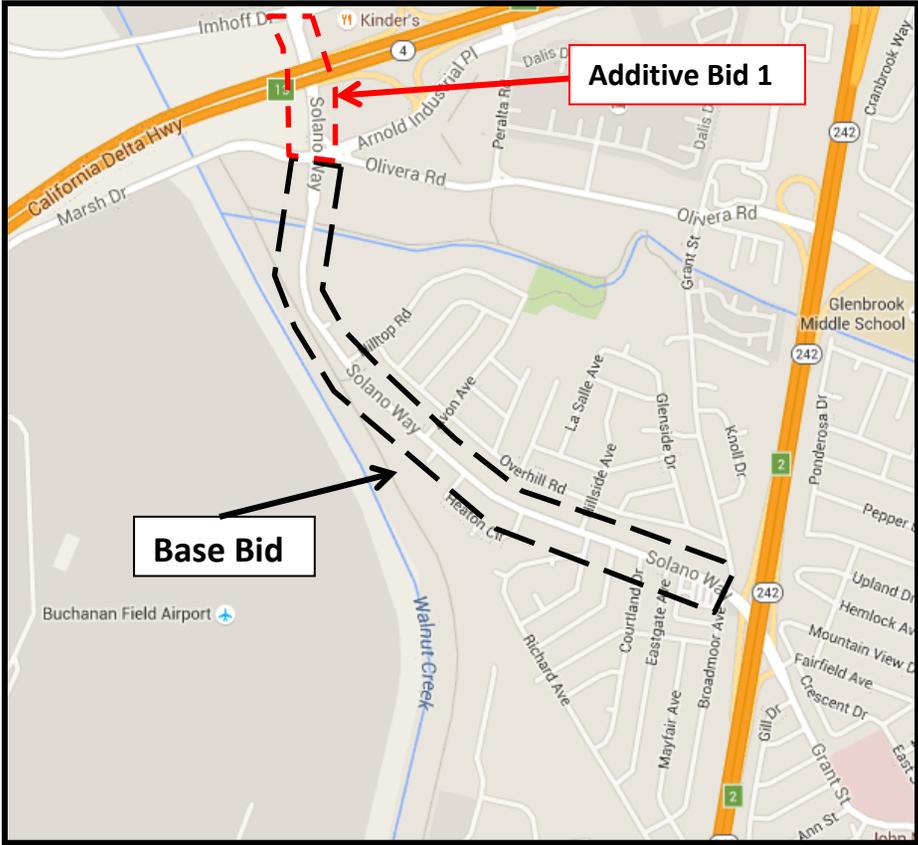
1. Location Map
2. Bid Summary

PROJECT LOCATION MAP

Measure Q Pavement Repair Project #2 (PJ 2361)



Sixth Street (from Clayton Road to Willow Pass Road) & Wren Avenue (From Sixth Street to Clayton Way)



Solano Way (from Broadmoor Avenue to Arnold Industrial Way)

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**City of Concord
Bid Sheet**

PROJECT #2361

Pavement Rehabilitation - Solano Way, Wren Avenue, and Sixth Street

Bid Opening:

**Thursday,
June 30, 2016
2:00 p.m.**

City Manager's Conference Room

Engineer's Estimate: \$

To be awarded: TBD

| COMPANY | TOTAL BID |
|--|----------------|
| Ghilotti Construction 246 Ghilotti Avenue Santa Rosa, CA 95407 | \$3,448,458.05 |
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