

REQUEST FOR COUNCIL ACTION

SUBJECT: CONTRACT AWARD FOR DEARBORN RESERVOIR REHABILITATION, PROJECT NO. 71207, AND DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT UNDER CEQA GUIDELINES

MOTIONS:

1. I move that City Council approve the withdrawal of the bid submitted by Toby B. Hayward, Inc. pursuant to California Public Contract Code Section 5101 et seq., based upon mistake.
2. I move that the City Council determine that award of the contract for, and construction of, the Dearborn Reservoir Rehabilitation Project is categorically exempt from environmental review in accordance with Section 15301 of the State's Guidelines implementing the California Environmental Quality Act.
3. I move that the City Council approve the Dearborn Reservoir Rehabilitation Project plans and specifications and award a construction contract to Sean Malek Engineering & Construction in the amount of \$1,485,000.

STAFF RECOMMENDATION:

Staff recommends that City Council permit withdrawal of the bid submitted by Toby B. Hayward, Inc. pursuant to California Public Contract Code Section 5101 et seq., based upon mistake.

Staff recommends that the City Council determine that award of the contract for, and construction of the Dearborn Reservoir Rehabilitation Project No. 71207 is categorically exempt from environmental review in accordance with Section 15301 of the State's Guidelines implementing the California Environmental Quality Act.

Staff recommends that the City Council approve the Dearborn Reservoir Rehabilitation, Project No. 71207 plans and specifications and award a construction contract to Sean Malek Engineering & Construction in the amount of \$1,485,000.

DISCUSSION:

In March 2010, the City completed a structural assessment of the Dearborn reservoir. Structural distress was observed at a number of locations at the exterior and interior of the reservoir. The reservoir roof has reached the end of its expected life and roof rehabilitation is recommended.

On February 19, 2013, Council approved a contract with Dudek to design improvements and develop construction documents. These improvements include repair of the interior concrete columns, reinforcement of the concrete roof, additional reinforcement at the interior wall/floor interface, and repair of the roof expansion joint. These construction documents were utilized to solicit bids from general contractors to construct the improvements.

City staff advertised the project for construction and on August 28, 2013, the City Clerk's office received and opened 7 bids. The City Clerk's Bid Opening Report is attached.

On September 4, 2013, City staff received a notice from Toby B. Hayward, Inc. (TBH) stating an error was made in their bid. TBH notified staff in writing of the error and requested their bid be rejected pursuant to California Public Contract Code Section 5101 et seq. Staff concurs with TBH's request to remove them as a qualified bidder. The adjusted bid summary is summarized in the following table.

BID SUMMARY

<u>Bidder</u>	<u>Bid Amount</u>
1. Toby B. Hayward, Inc. Monrovia, CA (1)	\$ 1,482,155.00
2. Sean Malek Engineering & Construction, Temecula, CA	\$ 1,485,000.00
3. Canyon Springs Enterprises, Hemet, CA (2)	\$ 1,640,980.00
4. Environmental Const. Inc., Woodland Hills, CA (3)	\$ 1,744,675.00
5. Los Angeles Engineering, Inc., Covina, CA	\$ 1,771,000.00
6. MMC Inc., La Palma, CA (2)	\$ 1,990,423.00
7. Spiess Construction Co., Inc., Santa Maria, CA (2)	\$ 2,449,317.00

(1) Contractor has requested the City Council to relieve the contractor of its bid for mistake.

(2) Arithmetic error in calculation of item total or bid total. Ranking remains unchanged.

(3) Written words for total bid price were different than number. Ranking remains unchanged.

Note: For a complete summary of the bid opening see attachments.

The remaining bids were reviewed by staff to determine if they were responsive to bid requirements. Staff concluded the low bidder is in conformance with the bid documents and specifications. Based on their bid and staff's review, Sean Malek Engineering & Construction is the lowest responsive bidder.

The engineer's estimate for this project is \$1,700,000. No contractors located within Redlands bid on this project. Approximately 35 new jobs will be created as a result of this project. This project is categorically exempt from environmental review in accordance with Section 15301 of the State's Guidelines implementing the California Environmental Quality Act.

FISCAL IMPACT:

Sufficient funds for the completion of the project, including contingencies, are included in the water budget.

ALTERNATIVES:

City Council may reject all bids and request the project be re-advertised or not pursue the project. Neither alternative is recommended as there is a need to complete this project in order to provide safe and reliable water services to the City's customers.

ATTACHMENTS:

- 1) City Clerk's Bid Opening Report
- 2) Bid Analysis
- 3) Location Map
- 4) Withdrawal Letter from Toby B. Hayward, Inc.

Prepared by:

Recommended by:

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Project Manager

N. ENRIQUE MARTINEZ
City Manager

Reviewed by:

Reviewed by:

CHRIS DIGGS
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