



**PUBLIC WORKS DEPARTMENT**

CITY HALL

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**CITY COUNCIL STAFF REPORT**

Meeting: March 6, 2018

Subject

Reject all bids for a construction contract for the Service Center Shed No. 3 Improvement Project

Recommended Action

Reject all bids related to the construction of the Service Center Shed No. 3 Improvement Project (Project No. 2017-08).

Description

Shed No. 3 is an outdoor material storage facility for loose landscape materials and waste. The materials are segregated by type and stored in individual storage bays. The area of the bays is covered with a metal canopy to prevent moisture intrusion in the materials and as a storm water protection. As part of the City's increasing waste diversion efforts, it now collects different types of organics from its sites to recycle, including food scraps. To support this program, there needs to be a sufficient number of storage bays at the Service Center to store the organic waste and keep the waste streams separate and covered until they can be collected by the City's recycling hauler. The existing material bays need to be reconfigured to accommodate the increasing demand for separate storage bays.

Discussion

The project was advertised for bids on January 10, 2018 and bids were opened on February 6, 2018. One bid was received, with the low bid amount approximately 238% over the engineer's estimate. The low bid was received from CRW Industries.

<b>Bidder</b>	<b>Bid Amount</b>
<i>Engineers Estimate</i>	<i>\$350,000</i>
CRW Industries, Inc	\$1,182,087.00

Based on the single bid received and the high cost associated with that bid, staff recommends that Council reject all bids for this project and return the contractor's bidder's bond. Staff will analyze the construction documents, review outreach efforts and look for cost reduction opportunities with the goal of revising the design and rebidding the project later in the summer.

Sustainability Impact

None

CEQA

Exempt

Fiscal Impact

The FY 2017-2018 CIP budget for the Service Center Shed No. 3 Project (budget unit 420-99-034) is inadequate to implement the project. Additional appropriation is needed and will be requested during the FY 2018-19 Budget process.

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Prepared by: Michael Zimmermann, CIP Manager

Reviewed by: Timm Borden, Director of Public Works Department

Approved for Submission by: David Brandt, City Manager

Attachments: None