



City of Chula Vista

Staff Report

File#: 14-0312, **Item#:** 24.

CONSIDERATION OF REJECTING BIDS FOR PHASE I - WILLOW STREET BRIDGE REPLACEMENT

RESOLUTION NO. 2014-140 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA REJECTING BIDS FOR THE "PHASE I - WILLOW STREET BRIDGE REPLACEMENT (WATER LINE RELOCATION), IN THE CITY OF CHULA VISTA, CALIFORNIA [CIP No. STL-384], FEDERAL PROJECT NO. BHLS-5203(016)]" PROJECT

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

On May 21, 2014, the Director of Public Works received two (2) sealed bids for the "Phase I - Willow Street Bridge Replacement (Water Line Relocation) [CIP No. STL-384, Federal Project No. BHLS-5203(016)]" project. The project is included in the Capital Improvement Program for Fiscal Year 2013/2014. The proposed resolution, if approved, would reject the bid proposals received for the project due to various factors and direct the Director of Public Works to re-advertise the project.

BOARD/COMMISSION RECOMMENDATION

Not applicable.

DISCUSSION

Project Background

This project is the first phase of a two phase project that will ultimately replace the existing 2-lane Willow Street Bridge with a new 4-lane bridge; the existing bridge was constructed in 1940 and crosses the Sweetwater River. The overall project (Phase I and II) will be advertised and awarded as two (2) separate contracts. Phase I of the project is primarily a utility relocation project and Phase II is the actual bridge replacement work.

The improvements accomplished with Phase I of the project include relocating an existing 32-inch water transmission line (Owner - Sweetwater Authority) and an existing 36-inch water transmission line (Owner - City of San Diego) outside of the proposed bridge envelope. The existing transmission lines run along the westerly side of the existing Willow Street Bridge and traverse the northerly end of the bridge; the two lines run parallel to each other and diverge towards the north end of the existing bridge. Relocation of the two lines is needed due to conflicts with the proposed northerly bridge abutment and to mitigate for the potential scour caused by the Sweetwater River. The project also includes clearing and grubbing of the overall project site, dewatering, environmental fencing, traffic control, and other associated miscellaneous work items.

The Phase I improvements will be constructed within City of Chula Vista (City) and County of San

Diego (County) right-of-way. Inter-agency coordination between the City and the County was required as well as coordination with the California Department of Transportation (Caltrans) due to their Federal oversight role for the project.

Bidding Process

City staff began the advertisement of the project on April 25, 2014 and held a non-mandatory Pre-Bid Meeting on May 9, 2014, which was attended by four (4) contractors, to review the project requirements and receive questions regarding the bid documents. The Director of Public Works received and opened two (2) bids for the project on May 21, 2014 as follows (listed in numerical order of base bid amount):

	CONTRACTOR	BASE BID AMOUNT
1	JUST Construction, Inc.	\$2,397,235.00
2	TC Construction, Inc.	\$3,834,285.00

The bid proposals submitted by JUST Construction, Inc. and TC Construction, Inc. are above the Engineer's Estimate of \$1,910,000 by \$487,235 (approximately 25.5%) and \$1,924,285 (approximately 100.7%), respectively. The Engineer's Estimate included civil work and water transmission line items that were compiled by City staff and the design consultant (Kimley-Horn), respectively (See Attachment "1" - Bid Summary).

Analysis of Bid Proposals

City staff reviewed the two (2) bid proposals received and determined the recommendation for rejection based upon the following factors:

JUST Construction, Inc.

- Failure to submit all of the required bid documents (did not submit Addendum #1); and
- Mathematical discrepancy (A discrepancy between words and figures in bid proposal).

TC Construction, Inc.

- Mathematically unbalanced bid (bid does not reflect reasonable profit/overhead/indirect costs); and
- Materially unbalanced bid (the contractor's bid is significantly higher than the Engineer's Estimate).

Additionally, staff believes that by making certain adjustments to the project, such as changing the construction schedule, facilitating the solicitation of sub-consultant quotes and increasing allowable shutdown days for utilities, the City could obtain bids closer to Engineer's Estimate. It is anticipated that the revised specifications will include the following changes (subject to the approval of the utility owners - City of San Diego and Sweetwater Authority) prior to re-advertisement:

1. Increase allowable shutdown period for both water transmission lines;
2. Increase construction days to the overall project;

File#: 14-0312, Item#: 24.

3. Reduce the amount of liquidated damages;
4. Provide a material supplier list for steel water pipe; and
5. Include the list of City approved environmental mitigation consultants.

These revisions to the project specifications should result in bid proposals that will be closer to the Engineer's Estimate as well as attracting additional bidders. City staff's bid analysis revealed that an additional nine (9) prime contractors showed interest in the project, but decided not to submit a bid proposal. Subsequently, City staff contacted several of the prospective contractors to collect information regarding deficiencies and/or clarifications needed in the project plans and specifications. This information was the focus of the proposed modifications to the specifications and should create improved understanding and interest in the project.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council and has found no property holdings within 500 feet of the boundaries of the property which is the subject of this action. Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The Phase I - Willow Street Bridge Replacement (Water Line Relocation) [CIP No. STL-384, Federal Project No. BHLS-5203(016)] project supports the Strong and Secure Neighborhoods Strategic Goal as it improves safety from traffic and floods to the residences and pedestrians, as well as it creates appealing communities to live, work, and play. This project is also included in the 2012 Regional Transportation Improvement Plan as CHV08.

CURRENT YEAR FISCAL IMPACT

There will be minor staff costs for making adjustments to the project specifications and to re-advertise the project which will be funded by Highway Bridge Program (HBP) funds associated with CIP No. STL-384.

ONGOING FISCAL IMPACT

None.

ATTACHMENTS

1. Bid Summary

Staff Contact: Greg Tscherch, Senior Civil Engineer (Department of Public Works-Engineering)