



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** June 7, 2004

**ITEM NUMBER:**

**SUBJECT:** PARKWAY CONCRETE REPAIR AND NEW SIDEWALK CONSTRUCTION - CITY PROJECT NO. 04-04

**DATE:** MAY 26, 2004

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUNOZ, CITY ENGINEER 714-754-5304

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## **RECOMMENDATION:**

1. Reject all bids.
2. Authorize the readvertisement of the project.

## **BACKGROUND:**

This project consists of the construction of new sidewalk on the south side of Del Mar Avenue between Orange Avenue and Santa Ana Avenue. This project was to complete the missing portions of sidewalk and establish a continuous path of travel. In addition, the project also included Americans with Disabilities Act (ADA) improvements at bus stop locations throughout the City. All work will include the reconstruction of curb and gutter, driveway/driveway approach, spandrel, cross gutter, and sidewalk; roadway reconstruction; construction of new sidewalk; sod placement; mobilization; traffic control and all other work as required.

## **ANALYSIS:**

On May 24, 2004, the Deputy City Clerk received and opened one bid for this project. The apparent low bidder, Damon Construction Company, submitted a bid that was 35 percent higher than the Engineer's estimate, and exceeded the funding budgeted for the project (\$116,130). Since the apparent low bidder's price exceeds the project funding allocation, staff recommends rejecting all bids and readvertising the project.

Readvertisement of the project will allow other potential bidders to submit bids for the project.

**ALTERNATIVES CONSIDERED:**

The alternative to this recommendation is to provide additional funding via a budget adjustment and award a contract to the apparent low bidder, Damon Construction Company, for the bid amount of (\$156,255). If this alternative is considered, it will require that funding be obtained from another approved capital improvement project. The funding, as well as the scope of work for the capital improvement project where this additional funding is obtained from, would then be reduced accordingly.

**FISCAL REVIEW:**

There is no fiscal impact at this time if all bids are rejected as recommended.

Funding up to the amount of \$116,130 is available from Measure “M” funds and ADA Grant funds from the Orange County Transportation Authority (OCTA).

**LEGAL REVIEW:**

California Public Contract Code Section 20166 allows the legislative body, at its discretion, to reject any and all bids presented and to readvertise the project.

**CONCLUSION:**

It is recommended that the City Council reject all bids; and authorize the readvertisement of the project.

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ERNESTO MUNOZ  
City Engineer

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WILLIAM J. MORRIS  
Director of Public Services

DISTRIBUTION: City Manager  
Acting City Attorney  
Deputy City Clerk  
Parks Project Manager  
Staff  
File

ATTACHMENTS: “1” [Bid Abstract](#)