



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director

BY: Robin Dickerson, PE, City Engineer
Jill McPeck, Capital Improvement Project Manager

SUBJECT: Consideration of Rejection of All Bids or Awarding a Contract for the Base Bid and Additive Alternative for Construction of the Swinging Bridge Retrofit Project, PW 2021-06, and Appropriation of Funds from the Sales Tax Fund Balance

DATE: February 22, 2022

SUMMARY OF ACTION:

Reject all bids and authorize solicitation of new bids after modifications are made to the construction documents for the Swinging Bridge Retrofit Project, or award a contract for the base bid and additive alternative for construction of the Project, PW 2021-06, and appropriate funds from the sales tax fund balance to fully fund the Project.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The FY 2021-22 Capital Improvement Program (CIP) budget includes \$616,269 of Local Sales Tax Funds for the Swinging Bridge Retrofit Project (\$23,469 budgeted for FY 2021-22 plus \$592,800 carryover from FY 2020-21). An additional appropriation of \$214,922 is needed if the Base Bid plus Additive Alternate No. 1 is awarded, or an additional appropriation of \$270,122 is needed if the Base Bid plus Additive Alternate No. 2 is awarded.

RECOMMENDATION:

Reject all bids and direct staff to solicit new bids after modifications are made to the construction documents for the Swinging Bridge Retrofit Project (PW2021-06).

BACKGROUND:

On December 14, 2021, the City Council approved construction plans and specifications for retrofitting and upgrading the structural components of the Swinging Bridge. The Project consists of removing and replacing the existing cables and helical anchors,

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reinforcing the existing concrete abutments, cleaning and painting the existing towers, and tightening and/or installing bolts at the suspension bridge wood connections.

During the bidding process, the condition of the existing wood members of the bridge itself was reviewed in detail and it was determined that the treated lumber on the bridge had moved past its useful life.

To address this, an Addendum was issued presenting as-built plans that contained a design for replacing the wood members. The Addendum added three Bid Additive Alternatives to the project scope:

Additive Alternate No. 1

Removal of existing wood members and replacing each component with new wood members, including the decking.

Additive Alternate No. 2

Removal of existing wood members and replacing each component with new wood members, with composite decking.

Additive Alternate No. 3

Paint new wood members of Additive Alternate No. 1 or Additive No. 2.

At the time of Council approval of construction plans and specifications, it was estimated that the total project costs, before the Additive Alternates were introduced, would be \$730,870 as follows:

	FY 2021/22 Budget	12/14/21 Estimate	Difference
Revenue			
Local Sales Tax	\$ 616,269	\$ 730,520	- \$ 114,251
Total Revenue	\$ 616,269	\$ 730,520	- \$ 114,251
Expenditures			
Construction	\$ 485,291	\$ 542,000	- \$ 56,709
Construction Contingencies (15%)	50,200	81,300	- 31,100
Const Mgt, Inspect, Environ Compliance, Advertise	66,817	102,220	- 35,403
Geotechnical Services	13,961	5,000	8,961
Total Expenditures	\$ 616,269	\$ 730,520	- \$ 114,251
Anticipated Shortfall			\$ 114,251

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ANALYSIS OF ISSUES:

On February 1, 2022, two bids were received for the Swinging Bridge Retrofit Project. The project specifications stated that the lowest bidder will be determined using the base bid. Following bid review, it was determined that the lowest base bid was received from Hanly General Engineering Corporation, that Hanly General Engineering Corporation is responsible, and that the bid is responsive. Below presents the total project costs using the bid amounts submitted by Hanly General Engineering Corporation.

	Base Bid	Base Bid + Add Alt 1	Base Bid + Add Alt 1 + Add Alt 3	Base Bid + Add Alt 2	Base Bid + Add Alt 2 + Add Alt 3
Expenditures					
Construction	\$ 482,236	\$ 629,236	\$ 709,236	\$ 677,236	\$ 757,236
Construction Contingencies (15%)	72,335	94,385	106,385	101,585	113,585
Const Mgt, Inspect, Environ, Ads	102,570	102,570	102,570	102,570	102,570
Geotechnical Services	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Total Expenditures	\$ 662,141	\$ 831,191	\$ 923,191	\$ 886,391	\$ 978,391
FY 2021/22 Budget	\$ 616,269	\$ 616,269	\$ 616,269	\$ 616,269	\$ 616,269
Shortfall	\$ -45,872	\$ -214,922	\$ -306,922	\$ -270,122	\$ -362,122

An award, if made, would be based on the Base Bid with consideration that Additive Alternate No. 1 or Additive Alternate No. 2 be included as the treated lumber has moved past its useful life and there are cost efficiencies in performing both the retrofit and wood replacement as one contract. Additive Alternate No. 3 is not recommended for consideration due to its cost compared to the other bid received. If an award is made, construction, including the procurement of materials requiring long lead times, is anticipated to occur between March 2023 and November 2023.

Had the replacement of the bridge’s existing wood members been identified prior to bid advertisement, they would have been made part of the base bid and the required contractor licensing would have included both Class A and Class B licenses. This would have allowed for a larger pool of potential contractors and perhaps a more competitive bidding environment. In addition, the cost of material and freight continues to remain inflated. Therefore, it is recommended that the project be repackaged to include replacement of the wood members as part of the base bid, include both Class A and Class B contractor licensing, and rebid in Fall 2022 in an effort to receive a more favorable bid that includes both the retrofit and wood replacement, and perhaps a stabilization in materials costs. Should favorable bids be received and a construction contract awarded by the end of 2022, the ordering of materials requiring long lead times could begin in early 2023 in an effort to be completed prior to the Harvest Festival.

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ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Reject all bids, repackage the construction documents as outlined above, and direct staff to solicit new bids at a future date;
2. Reject all bids and direct staff to solicit new bids with the current construction documents;
3. Award a construction contract consisting of the Base Bid and Additive Alternate No. 1 to Hanly General Engineering Corporation and appropriate \$214,922 from the Sales Tax fund balance;
4. Award a construction contract consisting of the Base Bid and Additive Alternate No. 2 to Hanly General Engineering Corporation and appropriate \$270,122 from the Sales Tax fund balance; or
5. Provide other direction to staff.

ADVANTAGES:

Rejecting the bids and repackaging the construction documents may reduce construction costs without impacts to the overall project objectives.

DISADVANTAGES:

Rejecting the bids will delay the project and, depending on uncontrollable future conditions, could result in higher future bids. Current permits obtained from the California Department of Fish and Wildlife and the Regional Water Quality Control Board will need to either be renewed or new applications submitted.

ENVIRONMENTAL REVIEW:

The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301(d) covering the restoration or rehabilitation of deteriorated or damaged structures to meet current standards of public health and safety not caused by an environmental hazard. As part of the design, permits have been obtained from California Fish and Wildlife and Regional Water Quality Control Board for Rehabilitation of the Swinging Bridge. Mitigation as required by these permits has been incorporated into the plans and specifications.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachment:

1. Bid Opening Log Sheet