



MEMORANDUM

TO: City Council

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

BY: Steve Kahn, Interim City Engineer

SUBJECT: Consideration of Rejection of All Bids for the Retrofit of Swinging Bridge over Arroyo Grande Creek Project, PW 2021-06

SUMMARY: The rejection of all bids for the Retrofit of Swinging Bridge over Arroyo Grande Project, PW 2021-06 is categorically exempt from the California Environmental Quality Act (“CEQA”) under the Class 1 exemption, which includes the restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, and where no exceptions apply (State CEQA Guidelines, § 15301.)

DATE: February 14, 2023

SUMMARY OF ACTION:

Reject all Bids on the Retrofit of Swinging Bridge over Arroyo Grande Creek Project (Project) and direct staff to begin the processes of compliance with Federal procedures and requirements set forth in the Local Assistance Procedures Manual on the Project.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

In early January 2023 the City was notified that the Retrofit of Swinging Bridge over Arroyo Grande Creek Project (Project) was selected for Federal DEMO (Demonstration) Earmark funding under the “Community Project Funding/Congressionally Directed Spending (CPFCDs)” program in the amount of \$500,000. The Project is currently funded with \$1,160,474.42 of Local Sales Tax Funds. The CPFCDs funds would be inserted to the Project budget and Local Sales Tax Funds would be reallocated into another City project.

The City must follow the Federal procedures and requirements set forth in the Local Assistance Procedures Manual. This includes National Environmental Protection Act (NEPA) approval, Right of Way Certification approval, and federalizing the construction Plans Specifications & Environmental package. There is a cost to federalizing the Project. Cost include production and approval of the NEPA document, environmental mitigation measures required by the NEPA document, and administrative compliance costs.

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Staff time would be impacted with the administration and coordination of the processes of compliance with Federal procedures and requirements.

RECOMMENDATION:

Reject all Bids on the Retrofit of Swinging Bridge over Arroyo Grande Creek Project (Project) and direct staff to begin the processes of compliance with Federal procedures and requirements set forth in the Local Assistance Procedures Manual on the Project.

BACKGROUND:

The Swinging Bridge was originally constructed in early 1875 by the Short family, whose land was divided by the Arroyo Grande Creek. The bridge spans a total length 171 feet and is suspended 40 feet above the creek. The bridge is owned and maintained by the City of Arroyo Grande and is the only bridge of its kind in California. The bridge was damaged by a falling tree in March 1995. With strong community support, it was restored in May 1995.

Since the repairs, structural review of the bridge has found structural deficiencies in the foundations. The Swinging Bridge project was included in the Capital Improvement Budget for the FY 2021-23 Biennial Budget with a budget of \$616,269 of Local Sales Tax Funds. On December 14, 2021, the City Council approved construction plans and specifications for retrofitting and upgrading the structural components of the Swinging Bridge. The base bid Project consisted of removing and replacing the existing cables and helical anchors, reinforcing the existing concrete abutments, cleaning and painting the existing towers, and tightening and/or installing bolts at the suspension bridge wood connections. Three additive alternates were added to the bid package, as follows:

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.

On February 1, 2022, two bids were received for the project. Based on the bids received, if just the base bid (structural repairs) was awarded, the total estimate for the project would be approximately \$662,100. If a combination of the additive alternates were awarded, the total estimate for the project would range from approximately \$831,200 to \$978,400. Upon receiving and reviewing the bids, staff determined that, had the

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replacement of the bridge's existing wood members been identified prior to bid advertisement, it would have been made part of the base bid and the required contractor licensing would have included both Class A and Class B licenses, resulting in a larger pool of potential contractors and perhaps a more competitive bidding environment.

Based on these factors, on February 22, 2022, the City Council rejected all bids and directed staff to solicit new bids after modifications are made to the construction documents to include replacement and painting of the wood members as part of the base bid, and to include both Class A and Class B contractor licensing for the project. To allow for the cost of material and freight, which continues to remain inflated due to economic forces, staff estimates the total project cost at this time at approximately \$1,000,000.

The office of Congressman Salud Carbajal announced, in early 2022, a process for seeking FY23 Community Project Funding, previously referred to as "earmarks," which is a supplement to the traditional federal appropriations process that allows for direct project inclusion in federal appropriation bills. On April 12, 2022 the City Council approved a FY 2023 Community Project funding request for the Swinging Bridge Project.

On June 14, 2022, the FY 2022-23 Mid-Cycle Budget Update Report included an additional allocation of \$550,000 to bring the total project budget to \$1,166,269 based on the updated costs estimates.

On October 25, 2022, the City Council approved the bid package, the environmental document, and a call for bids for the retrofit of the Swinging Bridge over Arroyo Grande Creek Project (Project). On November 29, 2022, two bids were received on the Project. Cushman Contracting was the low apparent bid at \$880,061 and there are sufficient funds in the Project budget to complete the Project at this bid price. The bid results are listed in attachment 1.

In early January 2023 the City was notified the Project was selected for Federal DEMO Earmark funding under the "Community Project Funding/Congressionally Directed Spending (CPFCDs)" program in the amount of \$500,000.

ANALYSIS OF ISSUES:

With the award of Federal funds to the Project, The City must follow the Federal procedures and requirements set forth in the Local Assistance Procedures Manual (LAPM). This includes NEPA approval, Right of Way Certification approval, and federalizing the construction PS&E package. Federalizing the construction PS&E package means the package must include federal provisions, all current bids must be rejected and the Project must be rebid with federal provisions.

If all of the bids are rejected, City staff would work with Caltrans (Administrator of the CPFCDs funds) and the City's environmental and design consultants to meet Federal

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requirements, release a new Request for Proposals in Spring of 2023, and begin construction of the Project in June of 2024. It should be noted that work on the Bridge can only occur between June 1st and October 15th due to environmental restrictions and there is a very long lead time on acquiring and fabricating materials.

ALTERNATIVES:

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

1. Reject all bids, comply with federal requirements of the Project, and rebid the Project;
2. Award and construction contract to Cushman Contracting;
3. Provide other direction to staff.

ADVANTAGES:

Rejecting all bids and bring the Project into compliance with Federal procedures and requirements set forth in the Local Assistance Procedures Manual will allow the City to accept the \$500,000 from the “Community Project Funding/Congressionally Directed Spending (CPFCDs)” program.

DISADVANTAGES:

The Project did receive a bid under the engineer’s estimate of \$920,000 for the Project. If the bids are rejected, the next set of bids may be higher.

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.

The Project will now have to obtain NEPA compliance. A NEPA document will be produced and mitigation measures add to the project, if required by the NEPA document.

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.

Attachments:

1. Bid Results