

MEMORANDUM

TO: City Council

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

BY: Shannon Sweeney, City Engineer

SUBJECT: Consideration of Rejection of All Bids for the Five Cities Fire Authority

(FCFA) Apparatus Door Replacement Project, PW 2023-11

DATE: February 13, 2024

SUMMARY OF ACTION:

Reject all Bids for the Five Cities Fire Authority (FCFA) Apparatus Door Replacement Project (Project) and direct staff to competitively rebid this project.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

\$115,000 in FY 2023-24 sales tax funding is allocated to this project. Inadequate funding is available to proceed with the low bid of \$189,767.

Staff time will be impacted with the administration and coordination of the process of rebidding this project. Maintenance staff will continue to be impacted by the ongoing maintenance required by the existing doors during the time required to rebid the project.

RECOMMENDATION:

Reject all Bids for the FCFA Apparatus Door Replacement Project and direct staff to competitively rebid this project.

BACKGROUND:

The current Apparatus Bay doors at Fire Station 1 are obsolete with replacement parts no longer available. The door for Bay 6 has been purposely removed from service to salvage replacement parts to maintain operation of the remaining doors. These doors allow for the response, secure storage, and maintenance of emergency response vehicles serving the community.

Replacement of Fire Station 1 apparatus doors was included in the FY 2023/24 – 2027/28 Capital Improvement Program, which was adopted by City Council on <u>June 27, 2023</u>.

Staff developed a bid package including minimum specifications for the project. Staff advertised the project on January 3, 2024, by posting it on the City's website and emailing

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a link to the bid documents to six potential bidders. One bid was received prior to the bid opening deadline of January 31, 2024. This bid from National Garage Door Company is \$189,767. This bid has been reviewed as is responsive (meets all the bid requirements.)

ANALYSIS OF ISSUES:

After receiving only one bid at the bid opening, staff reached out to potential bidders who did not submit a bid. Multiple bidders indicated that they were unfamiliar with the bidding process, as they are ordinarily subcontractors and not prime contractors on construction jobs.

Because of their unfamiliarity with the process, they did not allocate sufficient time to obtain a bid bond to accompany their bid and therefore missed the deadline. If the existing bid is rejected, staff will rebid the project and include clearer language of the bid bond requirement in the Notice inviting Bids.

The Notice inviting Bids contains the following language:

"City shall award the contract for the Project to the lowest responsive, responsible Bidder as determined by the City from the base bid. City reserves the right to reject any or all bids or to waive any irregularities or informalities in any bids or in the bidding process."

Staff recommends that Council exercise the right established in the statement above due to bid received exceeding funding allocated for the project.

The original estimated construction completion date for this project was August 19, 2024. Rebidding the project will add approximately two months to the schedule, for an estimated completion date of October 15, 2024.

ALTERNATIVES:

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

- Reject all Bids for the FCFA Apparatus Door Replacement Project and direct staff to competitively rebid this project;
- 2. Do not reject bids and proceed with awarding the contract to the lowest bidder. Authorize a budget amendment of \$93,743.70 from sales tax fund balance (\$189,767-\$115,000 plus \$18,976.70 contingency); or
- 3. Provide other direction to staff.

ADVANTAGES:

Rejecting all bids allows the City to competitively rebid the project with language that more clearly outlines the steps required to submit a complete bid. Adding this language is expected to expand the number of potential bidders, creating a more competitive environment.

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DISADVANTAGES:

Competitively rebidding this project will take additional time. Existing doors have maintenance issues that will continue to require staff time to address until the doors are replaced. Rebidding this project will add approximately two months to the project schedule. Staff believes that rebidding the project will result in more competitive pricing, with potential savings beyond the ongoing cost of maintaining the existing doors for an additional two months.

ENVIRONMENTAL REVIEW:

Rejecting bids is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378.)

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 Opening Log Sheet