



## **Staff Report**

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RESOLUTION REJECTING ALL BIDS FOR THE 1133/1145 ALAMEDA DE LAS PULGAS CREEK STABILIZATION PROJECT, AUTHORIZING THE RE-BIDDING OF THE SHEAR PIN WALL WORK AS PHASE I, APPROVING AWARD OF CONTRACT FOR PHASE I TO THE LOWEST BIDDER FOR AN AMOUNT NOT TO EXCEED \$125,000, APPROVING A CONSTRUCTION CONTINGENCY NOT TO EXCEED \$12,500, AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR 1133/1145 ALAMEDA DE LAS PULGAS CREEK STABILIZATION PROJECT PHASE I – SHEAR PIN WALL, CITY CONTRACT NUMBER 419B

Honorable Mayor and Council Members:

### **Summary**

The City Council is requested to reject all bids received for City Contract Number 419B, the 1133/1145 Alameda de las Pulgas Creek Stabilization Project. The lowest bidder exceeds the amount approved for contract award and also exceeds the available project funding. The City Council is also requested to authorize the advertisement and award of a contract for the shear pin wall work only as Phase I for the project.

### **Background**

On June 14, 2005, the City Council approved advertising and awarding City Contract Number 419B for an amount up to the engineer's estimate of \$190,000. The engineer's estimate was prepared by the designer. Staff had this estimate reviewed by an independent consultant because the proposed technology is relatively new. The independent reviewer concurred with the \$190,000 estimate. Fourteen contractors requested bid packages, but only AIS Construction Company and Hillside Drilling, Inc. submitted bids for the amounts of \$393,205 and \$508,369 respectively.

Staff spoke with the bidders and evaluated the bid results to determine why they are tremendously higher than the engineer's estimate and why there was not more competition for the project. One reason is the tight site condition that does not allow easy access for equipment and hauling of materials. The creek is within an apartment complex that is surrounded by buildings. The only access is from Alameda de las Pulgas and a parking lot within the complex. There is very limited space for storage and staging materials/equipments on site.

The second reason is that the bio-engineering stabilization work required by the Department of Fish and Game is a new and laborious technology that a lot of contractors are not familiar with. However, it is the Department of Fish and Game's current policy to limit repairs to those resulting in the least disturbance to the natural environment and to require re-vegetation of the site. Fish and Game previously rejected the City's proposal to install a culvert at this location.

These conditions discouraged prospective contractors and limited the number of contractors qualified to bid on the project. Staff was aware of these issues when the project was designed. The limited bidding response demonstrates the difficulty of the project.

### **Discussion**

Staff recommends splitting the project into two phases and requests Council approval to advertise and award Phase I now. The original project was composed of two different types of work. One is the creek stabilization using bio-engineering methods and the other is the construction of a shear pin retaining wall adjacent to the garage structure at 1133 Alameda de las Pulgas. The shear pin wall will stabilize bank erosion and a slide that had developed in the area. Since this is a more conventional method of construction, staff believes the City can get more competitive bids and better price for this portion of work by bidding it as Phase I of the project. This phase of construction can start in the end of August and will be completed before October 15, 2005.

Staff will direct the bio-engineering consultant to redesign this winter to reduce the complexity of the re-vegetation work and will request Council approval to advertise the Phase II construction in summer 2006. The Department of Fish and Game only allows work in the creek area from June 15 to October 15 each year. The bio-engineering consultant is proposing to reduce the amount of excavation and scale down the scope of work such that it will be less costly but will still satisfy the requirements of the Department of Fish and Game.

### **Fiscal Impact**

The engineer's estimate for the construction contract work for Phase I shear pin wall is \$125,000. Staff also requests a 10 percent construction contingency up to \$12,500. Funding of this work will be obtained from FY 2006 Storm Drainage Enterprise Fund account 525-4315-6042-8351.

### **Public Contact**

Public contact consists of posting the City Council agenda and notifying the adjacent property owners at 1133 and 1145 Alameda de las Pulgas.

### **Recommendation**

Staff recommends that the City Council take the following actions for City Contract Number 419B, 1133/1145 Alameda de las Pulgas Creek Stabilization Project:

1. Reject the two bids from AIS Construction Company and Hillside Drilling, Inc.
2. Authorize advertisement for sealed bids from qualified construction contractors for the shear pin wall work as Phase I of the project.
3. Approve award of contract for Phase I to the lowest responsible bidder for an amount not to exceed \$125,000.
4. Approve a construction contingency for an amount equal to 10 percent of the construction contract.
5. Authorize the City Manager to execute a contract with the lowest responsible bidder.
6. Authorize the re-design of the bio-engineering work as Phase II of the project.

### **Alternatives**

1. Take no action. Refer back to staff for further information.
2. Deny the request.

### **Attachments**

- A. Resolution

Respectfully submitted,

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Gilbert Yau, P.E.  
Senior Civil Engineer

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Raymond E. Davis, III, PE, PTOE  
Director of Public Works

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Jack R. Crist  
Interim City Manager

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT REJECTING ALL BIDS FOR THE 1133/1145 ALAMEDA DE LAS PULGAS CREEK STABILIZATION PROJECT, AUTHORIZING THE RE-BIDDING OF THE SHEAR PIN WALL WORK AS PHASE I, APPROVING AWARD OF CONTRACT TO THE LOWEST BIDDER FOR AN AMOUNT NOT TO EXCEED \$125,000, APPROVING A CONSTRUCTION CONTINGENCY NOT TO EXCEED \$12,500, AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR 1133/1145 ALAMEDA DE LAS PULGAS CREEK STABILIZATION PROJECT PHASE I – SHEAR PIN WALL, CITY CONTRACT NUMBER 419B**

**WHEREAS**, on June 14, 2005, the City Council approved advertisement of City Contract Number 419B for the 1133/1145 Alameda de las Pulgas Creek Stabilization Project, and approved award of a construction contract to the lowest responsible bidder for an amount not to exceed \$190,000; and,

**WHEREAS**, the City Clerk received bids from AIS Construction Company and Hillside Drilling Inc. for the 1133/1145 Alameda de las Pulas Creek Stabilization Project; and,

**WHEREAS**, the bids are substantially higher than the original engineer's estimate of \$190,000; and,

**WHEREAS**, staff will prepare a separate bid package for the shear pin wall work as Phase I of the project; and,

**WHEREAS**, the consultant engineer will re-design the bio-engineering work as Phase II and staff will request Council approval to advertise the construction bids in Summer 2006.

**NOW, THEREFORE, BE IT RESOLVED** that:

1. The City Council rejects the bids received from AIS Construction Company and Hillside Drilling Inc.
2. The City Council authorizes advertisement for sealed bids for the shear pin wall work as Phase I of the project.
3. The City Council approves award of contract to the lowest responsible bidder for an amount not to exceed \$125,000.
4. The City Council approves a construction contingency to be administered by the City Manager for an amount equal to 10 percent of the construction contract.
5. The City Council authorizes the City Manager to execute a contract with the lowest responsible bidder.
6. The City Council approves the re-design of the bio-engineering work as Phase II of the project.
7. Funding shall be from the FY 2006 budget, project account 525-4315-6042-8351.

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I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on July 26, 2005 by the following vote:

AYES, COUNCILMEMBERS: \_\_\_\_\_

NOES, COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN, COUNCILMEMBERS: \_\_\_\_\_

ABSENT, COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
CLERK of the City of Belmont

APPROVED:

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MAYOR of the City of Belmont