



Staff Report

RESOLUTION REJECTING ALL BIDS FOR THE SANITARY SEWER REHABILITATION HASTINGS DRIVE AND HASKINS DRIVE PUMP STATIONS, CITY CONTRACT NUMBER 467

Honorable Mayor and Council Members:

Summary

The City Council is requested to reject the bids received for City Contract Number 467, the Sanitary Sewer Rehabilitation Hastings Drive and Haskins Drive Pump Stations project. The lowest bid received exceeds the amount approved for contract award and also exceeds the available project funding.

Background

The Haskins and Hastings sanitary pump stations are two of the smaller residential neighborhood stations designed to lift sewage over small elevation barriers. The Haskins Sanitary Sewer Pump Station was constructed on Haskins Drive at East Laurel Creek Road in 1982. The Hastings Pump Station was constructed in 1974 on the 2600 block of Hastings Drive. The station components are reaching the end of their services lives. Staff, with the assistance of technical consultants, designed a project to overhaul and upgrade the pumps, holding tanks, and instrumentation. The City Council approved the project plans and specification and authorized advertising and awarding the project City Contract Number 467 for an amount up to the engineer's estimate of \$520,000 on September 26, 2006. Twelve general contractors requested bid packages, but only four submitted bids as follows:

1. Anderson Pacific \$695,000
2. Power Engineering \$724,000
3. W.R. Forde Assoc. \$787,000
4. Mitchell Engineering \$859,000

Discussion

Public Works staff and its technical consultant to several contractors who requested plans, evaluated the bid results to determine why the majority declined to bid and why the engineer's estimate was substantially lower than the lowest bid. The contractors said that small rehabilitation jobs on old pump stations are difficult and risky. It is hard to keep the station in service throughout reconstruction and there are often unknowns that complicate the work. Staff ran statistical analyses on the range and variability of the 30 separate bid items in the four bids

and found that there was significant variability. For example, the low to high range in unit costs was 582% for shoring and bracing, 667% for ductile iron force main, 280% for purchase and installation of pumps, 278% for a generator, and 276% for a pump controller panel. In most cases, the engineer's estimate for each bid items was within the range of prices submitted by the four bidders.

Staff did identify two items where the engineer's estimate was significantly lower than the bid prices. These are for epoxy coating of the wet wells and pump controller panel electrical connections. The engineer's estimate for the epoxy coating was \$10,000, as compared to the low bidder's price of \$24,000. The engineer's estimate for the pump controller was \$30,000, as compared to the low bidder's price of \$130,000. In this instance the low bidders price was quite high, the lowest unit price bid by any bidder for this item was \$48,000. Staff believes that these two items can be either respecified and/or redesigned to reduce their cost.

Staff recommends the Council reject all bids received for City Contract Number 467. There is not sufficient funding in the project budget to award to the low bidder. Staff then seeks Council's direction to separate the project into two separate projects, one per pump station. Staff will revise the project design to address the high cost items described above. The first project design for the Haskins Pump Station can be ready in February. Staff would then seek Council's approval to advertise and award this project in Spring 2007. Staff would rebudget for the Hastings Pump Station rehabilitation in the FY08 budget.

General Plan/Vision Statement

No impact.

Fiscal Impact

There is no fiscal impact from rejecting the bids.

Public Contact

Publication and posting of City Council agenda.

Recommendation

Staff recommends that the City Council reject all bids received for the Sanitary Sewer Rehabilitation Hastings Drive and Haskins Drive Pump Stations, City Contract Number 467.

Alternatives

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

Attachments

A. Resolution

Respectfully submitted,

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Director of Public Works

Terrence L. Belanger
Interim City Manager

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RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT REJECTING ALL BIDS FOR THE SANITARY SEWER REHABILITATION HASTINGS DRIVE AND HASKINS DRIVE PUMP STATIONS, CITY CONTRACT NUMBER 467

WHEREAS, on September 26, 2006, the City Council approved advertisement of City Contract Number 467 for Haskins and Hastings Pump Stations Rehabilitation, and approved award of a construction contract to the lowest responsible bidder for an amount not to exceed \$520,000; and,

WHEREAS, the City Clerk received four bids that exceeded available project funding; and,

WHEREAS, the staff will separate the project into two separate projects, one per pump station; and,

WHEREAS, staff will revise the project design and will request Council approval to advertise for construction of the Haskins Pump Station Rehabilitation in Spring 2007.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont does hereby reject all bids received for the Sanitary Sewer Rehabilitation Hastings Drive and Haskins Drive Pump Stations, City Contract Number 467.

* * * * *

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 January 9, 2007 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont