



Administrative Report

H.10., File # 24-0067

Meeting Date: 1/23/2024

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

REJECT ALL BIDS FOR THE BICYCLE TRANSPORTATION PLAN IMPLEMENTATION PHASE 1 PROJECT, JOB NO. 40510, AND DIRECT STAFF TO RE-BID THE PROJECT

EXECUTIVE SUMMARY

On January 19, 2021, the City Council approved plans and specifications for the Redondo Beach Bicycle Transportation Plan Implementation Project, Job No. 40510. The City worked with the Los Angeles County Metropolitan Transportation Authority (Metro) Board to secure federal funding for the project. The effort took multiple years to coordinate and required Caltrans E-76 approval, as a precursor for the City to advertise the project for construction bidding. On December 14, 2023, 3 bids were received and publicly opened. The apparent low bid for the Project contained calculation errors and the bidder asked for a formal bid withdrawal, which was granted. The next low bid exceeded the appropriated funding amount by \$700,000 to \$800,000 depending on final construction management costs. Therefore, staff recommends that the City Council reject all bids, direct staff to identify aspects of the project as optional to provide contract flexibility during future contract award, and re-advertise the Project for bidding.

BACKGROUND

The Redondo Beach Bicycle Transportation Plan Implementation Project includes the installation of signs, street markings, and video detection cameras for new bicycle facilities on streets throughout the City including portions of Torrance Boulevard, Beryl Street, Catalina Avenue, and Avenue I.

The majority of the project is federally funded, with funding administrated through Metro. The original funding Agreement had a project completion date of June 30, 2016. Metro approved six amendments that extended the Agreement through June 30, 2023. A seventh amendment is expected to extend the project completion date to June 2024, which will be presented to Council for consideration at a later date.

On September 11, 2023, the City received E-76 approval from Caltrans to advertise the project. Caltrans approval was required due to the federal funding component. On November 16, 2023, the project was advertised. Bids were opened on December 14, 2023.

Metro allocated \$1,558,860 in the Call-For-Projects (CFP) Grant, and the City programmed required matching funds in the amount of \$389,715 from Local Prop C monies, plus \$531,000 in storm drain improvement funds (to address necessary storm drain relocation) for a total funding package of approximately \$2,480,000.

Although the original lowest bid was close to the project funding amount, depending on final construction management costs, the bid contained calculation errors that affected the total. The low bidder subsequently sent a formal letter to withdraw their bid, which is allowed under certain circumstances according to the Public Contract Code and the City's bid documents. The request to withdraw the bid was approved. The next low bid exceeded the project budget amount by \$700,000 to \$800,000. As such, staff is recommending a rejection of all bids due to a shortfall of funds.

To address the shortfall, City staff is planning to review the scope of the project and designate some of the project items as optional tasks, reducing the base scope of the project, while still addressing the primary project goals and objectives.

If the follow up bids are favorable, the optional items can be added to the contract at the time of award.

Staff recommends that the City Council reject the bids received and publicly opened on December 14, 2020, and authorize the City Clerk to re-advertise the project with revisions.

COORDINATION

This project was coordinated by the Engineering Services Division with assistance from Metro.

FISCAL IMPACT

There is no fiscal impact associated with the rejection of bids. Any future action by the City Council to construct the project is anticipated to draw on available funds as shown below.

Funding:

Metro CFP Grant	\$ 1,371,797
Local Prop C Funds	\$ 388,634
Local Measure R	\$ 178,147
Storm Drain Funds	\$ 200,000
Gas Tax	\$ 350,000
Total	\$2,488,578

Estimated Expenditures:

Construction	\$1,750,000
Proj Mgmt/Design	\$ 388,578
Construction Mgmt	\$ 175,000
Contingency	\$ 175,000
Total	\$2,488,578

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS:

- Preliminary Bid Results - Redondo Beach Bicycle Transportation Plan Implementation Project, Job No. 40510, December 14, 2023
- Toro Withdrawal Documentation, January 5, 2024