



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### REPORT TO COUNCIL

#### SUBJECT

Reject All Bids Received in Response to Bid No. PW16-08 for Fire Station No. 2 Roof Replacement

#### REPORT IN BRIEF

Approval is requested to reject the three bids received in response to Invitation for Bids No. PW16-08 for the Fire Station No. 2 Roof Replacement Project.

#### EXISTING POLICY

Section 2.09.140(b) of the Municipal Code permits the City Council to reject bids or proposals received in response to formal competitive bid solicitations. Furthermore, the code section provides that "if all bids are rejected, the City has the discretion to readvertise."

#### ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

#### BACKGROUND AND DISCUSSION

Capital Project 818100, Public Safety Buildings - Roofs, was created to replace the roofs at Public Safety Headquarters, and Fire Station Nos. 1-4 and 6. The roof at Headquarters was replaced in FY 2011/12. Construction to replace the roofs at Fire Station Nos. 1, 3, 4 and 6 is nearly complete. An Invitation for Bids was issued in April 2016 for the final roof replacement at Fire Station No. 2. Three bids were received as follows:

Stronger Building Services, San Leandro	\$178,540
Best Contracting Services Inc., Gardena	\$283,516
Andy's Roofing Co. Inc., San Leandro	\$393,279

The apparent low bidder, Stronger Building Services, submitted a non-responsive bid by providing incorrect unit pricing on all eleven bid line items and the bid cannot be accepted. The other two bids are 27% and 76% higher, respectively, than the engineer's estimate of \$224,000. Staff expects that there could be an opportunity to receive lower bids. Staff discussed the bid results with the designer and determined that the engineer's estimate was reasonable as reflected by the non-responsive bid amount. In addition, the previous bids could also have been affected by the timing of the bid with roofing contractors already having work lined up for the dry season. Additional bidders may be interested in submitting bids at this time of the year. Lastly, rejecting all bids will allow staff to re-evaluate the construction specifications and determine if any additional changes can be made that

could lower construction cost. However, it is important to note that rebidding the project could still result in higher bids.

### **FISCAL IMPACT**

No fiscal impact results from rejecting the bids.

### **Funding Source**

This project is funded by the General Fund.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

1) Reject all bids received in response to Invitation for Bids No. PW16-08 for Fire Station No. 2 Roof Replacement.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Frank Grgurina, Director of Public Safety

Reviewed by: Manuel Pineda, Director of Public Works

Reviewed by: Walter C. Rossmann, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

None.