



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0467, Version: 1

REPORT TO COUNCIL

SUBJECT

Reject the Sole Bid Received for Storm Pump Station No. 1 Rehabilitation (PW18-15)

REPORT IN BRIEF

Approval is requested to reject the sole bid received in response to Invitation for Bids PW18-15 for Storm Pump Station No. 1 Rehabilitation. The bid is significantly higher than the available budget.

EXISTING POLICY

Pursuant to Chapter 2.09.140(b) of the Sunnyvale Municipal Code, City Council approval is required to reject public works construction bids greater than \$100,000.

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(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

Storm Pump Station No. 1 was constructed in 1961 and has been rehabilitated multiple times. The station includes a below-grade inlet structure and above grade concrete masonry pump building that houses two propane-fueled engine driven pumps and one electrical pump. The pumps discharge through three welded steel pipelines.

The project consists of the following improvements: 1) Upgrading the pump station structure with additional wall anchors and continuous diaphragm cross ties; 2) Adding grip surfacing on all stair treads; 3) Installing additional fencing to prevent access to site from the San Francisco Bay Trail; 4) Installing additional security lighting around the pump station building; 5) Installing magnetic flow meters in the aboveground section of the discharge piping; 6) Replacing aging and degraded discharge piping; and 7) Replacing the manual inlet bar screen.

The construction project was advertised for competitive bidding on the City's DemandStar public procurement network and distributed to Bay Area Builder's Exchanges on March 9, 2018, with seventeen (17) companies requesting bid documents. Of the seventeen companies, only a few were general contractors and most were vendors and subcontractors. Sealed bids were opened on April 4, 2018, with one (1) responsive bid received.

JMB Construction Inc. submitted a bid in the amount of \$2,471,200 as detailed in Attachment 1. The bid submitted by JMB Construction Inc. was well above the engineer's estimate and the available budget. After reviewing the bid, staff inquired why some plan holders did not bid and requested

information from the one responsive contractor for bid items which were significantly higher than expected. The feedback received is that contractors are very busy right now; at bid time, federal regulations around tariffs was very uncertain, skewing pricing for the steel piping; and short timeframe for bidding based on permit requirements. Based on this research, staff recommends rejecting the bid received and re-advertising the project again at a future date. The scope of the project will not dramatically change; however, staff feels that advertising earlier and for a longer period coupled with aggressive promotion of the project during the bidding period may result in a favorable bid.

FISCAL IMPACT

No fiscal impact results from rejecting the bid.

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

Reject the sole bid received from JMB Construction Inc. in response to Invitation for Bids #PW18-15 Storm Pump Station No. 1 Rehabilitation.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Bid Summary