



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** November 14, 2006

**ITEM NUMBER:**

**SUBJECT:** FIRE STATION NO. 6 AND TEWINKLE PARK RESTROOM ROOF RESTORATION PROJECT - CITY PROJECT NO. 06-21

**DATE:** OCTOBER 26, 2006

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUNOZ, CITY ENGINEER, (714) 754-5343

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## **RECOMMENDATION:**

1. Accept the withdrawal of the bid submitted by Vance & Associates Roofing, Inc.
2. Reject all bids.
3. Adopt a resolution (Attachment 1) by four-fifths vote declaring that City Project No. 06-21 may be performed more economically by labor, materials, or supplies furnished at a lower price in the open market.
4. Approve Budget Adjustment No. 07-040 (Attachment 2) in the amount of \$25,000.
5. Authorize staff to negotiate with State-licensed roofing contractors to obtain the best available price for the roof restoration at Fire Station No. 6 and TeWinkle Park Restroom, for a combined price not to exceed \$75,000.

## **BACKGROUND:**

The scope of work for this project includes the removal of the deteriorated roofing materials in the existing roofs; installation of a built-up asphalt roof per specifications; and repairs to the existing wood decking, if needed, at Fire Station No. 6 (3350 Sakioka Drive) and the TeWinkle Park Restroom (northeast of the new athletic complex).

At the Council meeting of October 17, 2006, the request for award of the project was continued to the next meeting agenda at the request of the City Manager. At this time, the bid amounts exceed the budgeted amount significantly, and staff has explored all options prior to asking Council to take action on the existing bids.

## **ANALYSIS:**

On August 31, 2006, the City Clerk received and opened four (4) bids for this project. The Bid Abstract is included as "Attachment No. 3." However, Vance & Associates Roofing, Inc., the low bidder, has requested to withdraw their bid from consideration on this project due to a clerical error made in the bidding documents. California Public Contract Code Section 5101(b) provides for criteria under which a contractor may request to have his bid withdrawn. A written mistake by the contractor on the bidding documents falls within this criteria.

The bid proposal from the second lowest bidder, Sears Roofing Service, Inc., was responsive to the proposal instructions. However, the base bid proposal was in the amount of \$89,452, which was greater than the original estimate of \$45,000 by 99 percent. Since the apparent low bidder's proposal was non-responsive and the second low bidder's proposal exceeded the funding allocation for this project, staff recommends rejecting all bids (see Attachment 3).

The lowest responsible bid for the two facilities was \$89,452. The individual price for the Fire Station No. 6 roof replacement portion of the project was \$76,396. The individual price for the TeWinkle Park Restroom roof replacement portion of the contract was \$10,056. The proposed recommendation to Council will, if approved, allow City staff to negotiate with licensed roofing contractors to secure the most competitive price possible below the lowest bid submitted. With the authorization to allow staff to negotiate the price, it is anticipated that the individual projects may be more aggressively negotiated to obtain greater savings, while still utilizing only one contractor for all of the work. It is likely that this method will result in a total price that is below the \$75,000 threshold, as requested.

## **ALTERNATIVES CONSIDERED:**

The Council could cancel the project. However, Council has previously approved the concept of this project and appropriated funding. Canceling the project would be inconsistent with the previous direction and would require temporary patching of the roofs at an estimated cost of \$10,000 to guard against water intrusion during the winter rain season.

The Council could award the contract to Sears Roofing Service, Inc., the apparent low bidder. If this alternative is chosen, additional funding in the amount of \$39,452 would need to be approved to pay for this contract.

The Council could reject the bids and direct staff to re-advertise the project. However, this alternative is not recommended as staff believes it would not result in a lower bid than those already received, and would likely be above any price negotiated by staff.

**FISCAL REVIEW:**

City Council approved funding of \$30,000 for the Roof Replacement of Fire Station No. 6 in the FY 2005-06 Capital Improvement Budget and \$20,000 for the TeWinkle Park Restroom in the FY 2005-06 Public Services Department operational funds. An additional appropriation in the amount of \$25,000 would be required if Council approves staff's recommendation to negotiate directly with qualified contractors.

**LEGAL REVIEW:**

California Public Contract Code Section 20166 allows the legislative body, at its discretion, to reject any and all bids. The City Attorney has reviewed the bids and staff's recommendation and has stated the recommended course of action is allowed under current contract law. The City Attorney has approved the attached resolution as to form.

**CONCLUSION:**

It is recommended that the City Council accept the withdrawal of the bid submitted by Vance & Associates Roofing, Inc. in accordance with California Public Contract Code Section 5101(b); reject all bids for this project; adopt a resolution by four-fifths vote declaring that City Project No. 06-21 may be performed more economically by labor, materials, or supplies furnished at a lower price in the open market; approve Budget Adjustment No. 07-040 in the amount of \$25,000; and authorize staff to negotiate with State-licensed roofing contractors to obtain the best available price for the roof restoration at Fire Station No. 6 and TeWinkle Park Restroom, not to exceed \$75,000.

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ERNESTO MUNOZ  
City Engineer

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WILLIAM J. MORRIS  
Director of Public Services

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MARC R. PUCKETT  
Director of Finance

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KIMBERLY HALL BARLOW  
City Attorney

ATTACHMENTS:    "1"    [Resolution](#)  
                      "2"    [Budget Adjustment No. 07-040](#)  
                      "3"    [Bid Abstract](#)

DISTRIBUTION: City Manager  
Assistant City Manager  
City Attorney  
Maintenance Services Manager  
City Clerk  
Staff  
File

File Name Reject All Bids FS 6 Report Date 10-26-06

Time 3:30 p.m.