

AGENDA ITEM NO.

COUNCIL MEETING

APPROVED BY _____

DEPARTMENT DIRECTOR _____

CITY MANAGER _____

January 9, 2007

FROM: ROBERT N. ANDERSEN, Assistant Director
Public Utilities Department



SUBJECT: AWARD A CONTRACT TO WITBRO INC. DBA SEAL RITE IN THE AMOUNT OF \$827,680.02 FOR THE INSTALLATION OF STREET INFRASTRUCTURE IN NO NEIGHBORHOOD LEFT BEHIND AREA 62 Bid File # 2648 (COUNCIL DISTRICT NO. 5)

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends that the City Council award a contract for the in the amount of \$827,680.02 to Witbro Inc. DBA Seal Rite as the lowest responsive and responsible bidder.

EXECUTIVE SUMMARY

This project is for the replacement for missing street infrastructure in the No Neighborhood Left Behind (NNLB) Area 62 bounded by Willow, Huntington, Alder and Kings Canyon Blvd. in Southeast Fresno. The work will consist of installing pavement, curb, gutter and valley gutters. Driveways, curb ramps, sidewalk and streetlights will be installed by City Forces.

KEY OBJECTIVE BALANCE

This project best balances the three Key Objectives of Customer Satisfaction, Employee Satisfaction and prudent Fiscal Management. This project will provide the necessary street infrastructure for this neighborhood in Central Fresno. This project will also enhance the appearance of the neighborhood and provide better storm water drainage. This project was competitively bid which adheres to the key objective of prudent Fiscal Management.

BACKGROUND

This project is for the replacement or missing infrastructure in the No Neighborhood Left Behind (NNLB) Area 62 bounded by Willow, Huntington, Alder and Kings Canyon Blvd. in Southeast Fresno. The work will consist of installing paving curb, gutter and valley gutters. Plans and specifications prepared and a Notice of Inviting Bids was published in the Business Journal on August 28, 2006, posted on the City's website and faxed to five (5) builder exchanges. The specifications were distributed to nine (9) prospective bidders. Six bid proposals were received and opened in a public bid opening on September 19, 2006. Bid proposal prices ranged from \$1,005,193.02 to \$1,372,185.00.

REPORT TO THE CITY COUNCIL
Award Contract to Seal Rite
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Witbro Inc. DBA Seal Rite Grading and Paving (Seal Rite) submitted the lowest bid price in the amount of \$1,005,193.02. However; while Seal Rite's bid proposal listed two sub-contractors to be used under this contract they did not provide the Sub-Contractor Information form for those sub-contractors as required by the specifications. Therefore, Seal Rite was tentatively determined to be a non-responsive bidder. Seal Rite was notified of this determination and given the opportunity to appeal pursuant to Council Resolution 2003-129. An appeal hearing occurred on November 10, 2006. The Hearing Officer found in favor of Seal Rite that failure to complete the Subcontractor Detail form was a minor irregularity and recommended award to them.

At the Council meeting of December 12, 2006, staff recommended to Council that the omission was not a minor irregularity and that Seal Rite should be considered non-responsive. Council; however, sided with the Hearing Officer that it was a minor irregularity and that staff was to return and recommend award to Seal Rite.

Staff, therefore, recommends that the City Council award a contract in the amount of \$827,680.02 to Witbro Inc. DBA Seal Rite as the lowest responsive and responsible bidder. This staff determination was posted on the City's website on December 29, 2006.

FISCAL IMPACT

See attached.

FISCAL IMPACT STATEMENT

PROGRAM: PW00290, Res. Code NN62

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$ 827,680.02</u>	_____
Indirect Cost	<u>\$65,000</u>	_____
TOTAL COST	<u>\$ 892,680.02</u>	_____
Additional Revenue or Savings Generated	<u>-0-</u>	_____
Net City Cost	<u>\$ 892,680.02</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$45,000,000</u>	_____

Indirect Costs consist of:

Inspection/Surveying \$65,000.00

EVALUATION OF BID PROPOSALS

FOR: NO NEIGHBORHOOD LEFT BEHIND, AREA 62

Bid File No. 2648
Bid Opening: 09/19/06

BIDDER'S	TOTAL NET BID	TOTAL DEDUCT
ALTERNATIVES		
Withbro Inc, DBA Seal Rite Paving & Grading 959 Clovis Ave Clovis, CA 93612	\$1,005,193.02	\$177,513.00
Foster & Sons General Engineering Contractors, Inc. 1559 N McCall Ave Sanger, CA 93567	\$1,068,907.50	\$226,380.50
American Paving Co. P.O. Box 4348 Fresno, CA 93744	\$1,134,798.90	\$223,605.50
Construction Dev. Sys P.O. Box 8132 Fresno, CA 93747	\$1,162,606.00	\$196,506.00
Granite Construction Company 585 W Beach Street Watsonville, CA 95077	\$1,354,040.00	\$208,115.00
Dave Christian Construction Co., Inc. 2233 S Minnewawa Fresno, CA 93727	\$1,372,185.00	\$314,107.00

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, November 1, 2006, 5:00 P.M.

EVALUATION OF BID PROPOSALS

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FOR: NO NEIGHBORHOOD LEFT BEHIND, AREA 62

Bid File No. 2648
Bid Opening: 09/19/06

The Engineer's Estimate for this expenditure is \$1,627,600.00. The contract price is 27% below the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

BACKGROUND OF PROJECT (To be completed by Evaluating Department/ Division. Explain need for project/equipment):

This project is to install missing street infrastructure in NNLB Area 62 which is bounded by Huntington, Alder, Kings Canyon and Willow Avenues. The type of infrastructure includes street reconstruction, curb, gutter and valley gutters. The driveways curb returns and streetlights will be installed by City Forces.

