

7.1C-1

<h1 style="margin: 0;">REPORT</h1> <p style="text-align: center; margin: 0;">To the Honorable Mayor and City Council From the City Manager</p>

November 3, 2003

Subject

Reject all Bids – Fair Oaks Elementary School Sport Field Improvement Project

Recommendation

Reject all bids for the Fair Oaks Elementary School Sport Field Improvement Project

Background

The design of this project started in early August and the Contract Documents were produced in record time by *beals sport*, the firm that also successfully assisted us with the previous sport field projects. The design utilizes in-filled synthetic turf, similar to the product used at Hoover field. This project was on a fast track in order to try and get the foundation and drainage of the field in place before the winter rain.

The bid opening was held on October 8, 2003, in the office of the City Engineer. A total of five (5) bids were received, which are summarized below.

No.	Bidder	Bid Amount
1.	Interstate Grading & Paving, Inc. – So. San Francisco, CA	\$874,981.00
2.	O.C. Jones & Sons – Santa Clara, CA	\$888,185.00
3.	McGuire & Hester – Oakland, CA	\$979,435.00
4.	Robert A. Bothman, Inc. – San Jose, CA	\$980,231.00
5.	Zolman Construction & Development, Inc. & Coyote Construction, Inc. – San Carlos, CA	\$1,145,655.00
	Engineer's Estimate	\$1,000,000.

After the opening of bids, staff has reconsidered the situation and determined that the risk of there not being enough time to allow the drainage and foundation to be installed prior to the winter rain is too great. Therefore, staff is recommending that all bids be rejected. The current Bid Documents contain time constraints that can be relaxed if this project was to be constructed next spring. Less time constraints should equate to better price.

Currently, the field has no night time lighting. Night time lighting would significantly extend the hours of play on the fields. The possibility of this addition is being explored, since it appears that the budget should be able to accommodate this improvement. If this time constraint is removed, the consultant can obtain the proper approval from the State Architect, and incorporate this feature into the Base Bid of the project.

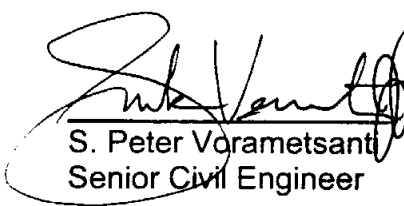
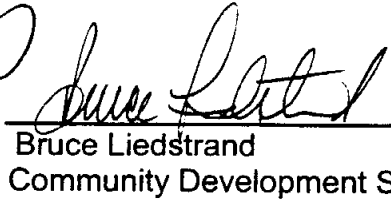

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Alternative

The Council can move to award this construction contract to the Lowest Responsible Bidder, but doing so will create a risk that extra resources will have to be put into this project if the weather does not cooperate.

Fiscal Impacts

By rejecting all bids, there are no significant financial impacts. The tri-parties cost sharing agreement with the County of San Mateo and the Redwood City Elementary School District for this project is not affected by the rejection.

		
S. Peter Vorametsant Senior Civil Engineer	Bruce Liedstrand Community Development Services Director	Ed Everett City Manager

SPV:ss

S/library/reports/reject all bids_ Fair Oaks Sport Field



INTERSTATE GRADING & PAVING, INC.

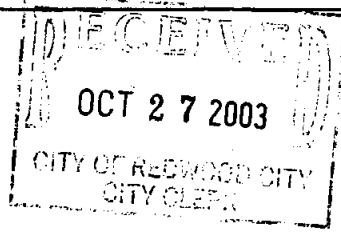
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City Council	<input checked="" type="checkbox"/>
City Manager	<input checked="" type="checkbox"/>
City Attorney	<input type="checkbox"/>
City Clerk	<input type="checkbox"/>
Community Dev.	<input type="checkbox"/>
Finance Dept.	<input type="checkbox"/>
Fire Dept.	<input type="checkbox"/>
Public Works Dept.	<input type="checkbox"/>
Human Res. Dept.	<input type="checkbox"/>
Library Dept.	<input type="checkbox"/>
Parks & Rec. Dept.	<input type="checkbox"/>
Police Dept.	<input type="checkbox"/>
Port of RWC	<input type="checkbox"/>
Planning	<input type="checkbox"/>

October 24, 2003

Mr. Richard S. Claire
The Honorable Mayor of The City of Redwood City
P.O Box 391
Redwood City, CA 94064



As a City of Redwood City resident, an employer of many City of Redwood City residents, and Vice President of Interstate Grading and Paving, Inc., I, and Interstate Grading & Paving, Inc., respectfully request that The Honorable Mayor and City Council of The City of Redwood City please review and consider the following information pertaining to the Construction Award for the Fair Oaks Elementary School Sport Field Improvement Project.

Subject

The Award of Contract to Interstate Grading & Paving, Inc. for the Fair Oaks Elementary School Sport Field Improvement Project. City Engineering tells us that they will ask that The Honorable Mayor and City Council of The City of Redwood City reject all Bids at the 11/03/03 City Council meeting.

Request

Interstate Grading & Paving Inc. requests that the responsible and competitive Bid submitted to The City of Redwood City be awarded to Interstate Grading & Paving, Inc.

Background

On October 8, 2003, Interstate Grading & Paving, Inc. submitted the lowest responsible bid, for the base bid amount of \$874,981.00. There were a total of five Bids submitted ranging in cost from \$874,981.00 to \$1,145,655.00.

The Bid from Interstate Grading & Paving is approximately \$98,500.00 lower than the \$972,500.00 average budget amount, including lighting. The average budget amount is presented in the *beals sport* Exhibit "A" document attached to a 10/27/03 City Report addressed to The Honorable Mayor and City Council for the 10/27/03 Council meeting. The Bid from Interstate Grading & Paving is also approximately \$325,000.00 lower than the funding available for this project as stated in the same City Report. The Bid amount from Interstate Grading & Paving includes the new lighting for the field.

Interstate Grading & Paving, Inc. has significant experience for the work envisioned. Interstate Grading & Paving has successfully submitted competitive bids for, and successfully constructed, all four of Sequoia Union High Schools District's fields, (Sequoia High School, Woodside, Carlmont, Menlo Atherton), as well as tracks & fields for Serra High School, The College of San Francisco, Bishop O'Dowd School, and Vallejo High School. The craft persons that installed these projects would be utilized at The Fair Oaks project.

Interstate Grading & Paving, Inc. has received correspondence from the City of Redwood City Engineering stating, in their words: "The City has reevaluate the situation and determines that the risk of pursuing this project with the compressed schedule is too great, therefore is recommending to Council that all bids be rejected."

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Interstate Grading & Paving, Inc.
October 24, 2003

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Interstate Grading & Paving can guarantee that no extra work charges will be made to The City for delays caused by weather. Interstate Grading & Paving, Inc. can also guarantee that no labor or material cost increases will be assessed if Interstate Grading & Paving Inc. is awarded the Contract as bid. Furthermore Interstate Grading & Paving will honor their bid amount if The City desires for work to commence in March of 2004, (Spring), instead of commencing right away.

Interstate Grading & Paving has also offered to commence work immediately and to perform the work in such a fashion, maintaining slope and optimizing drainage during construction, so that inclement weather would have as minimal effect as is reasonable.

Either way, whether the City elects to proceed with the work right away or have Interstate Grading & Paving proceed with work next Spring, awarding the Contract to Interstate Grading & Paving is a win-win situation for the City of Redwood City residents, users of the School field, AYSO Soccer, Little League, the Fair Oaks School and it's students.

Interstate Grading & Paving wishes to proclaim these guarantees in order to guarantee work for Interstate personnel as well as desiring to perform the work Interstate Grading & Paving is very good at, sport fields.

The benefit to The City and The School in having a field sooner than later is an obvious benefit. Also the City would not be risking a higher cost should the bids of 10/08/03 be rejected.

Fiscal Impact

Should all Bids be rejected, the City will certainly incur the additional expenses to re-bid the work.


- Re-bid costs would include the services needed by the City contracted consultant, beal sport and many other incurred costs for plans, specifications, etc.
- The costs for re-advertisement.
- The cost for City staff for time to go through the Bid process again.

The City would also be taking the following risks, (that would otherwise be eliminated if the project was awarded to Interstate Grading & Paving):

- Potential increases in Material costs upon re-bid. The turf, (a petroleum based product), cost is subject to increase if there is an increase in oil prices.
- An increase in Labor costs, should work occur past the June, (Union contract cost increases).
- An increase in cost by bidders due to re-bid occurring at a typically busy time of year. City Engineering has told us that a re-bid would occur next Spring. Spring is typically the time when most projects start to come out for bid. The bid cost could rise if prospective bidders find bid & work demand abundant. No prospective bidder can contractually guarantee that the re-bid amount will be lower than our current bid. Interstate Grading & Paving Inc. has submitted the lowest responsible bid that can be guaranteed should the City award the work to Interstate Grading & Paving, Inc.

Please do not reject all bids and instead, award the Contract to Interstate Grading & Paving, Inc. Thank you for your time in reviewing this request. Please do not hesitate to give me a call at (650) 952-7333 to discuss this or if I can be of any assistance.

Very truly yours,
INTERSTATE GRADING AND PAVING, INC.


Joe Caron, Vice President