



AGENDA REPORT
SAN CLEMENTE CITY COUNCIL MEETING
 Meeting Date: July 17, 2012

Agenda Item GE
 Approvals: _____
 City Manager [Signature]
 Dept. Head [Signature]
 Attorney _____
 Finance _____

Department: Public Works / Engineering
Prepared By: Amir K. Ilkhanipour, Senior Civil Engineer AKI

Subject: **REJECT CONSTRUCTION CONTRACT BIDS FOR THE PRIMA DESHECHA CANADA CHANNEL, FACILITY NO. M01 REHABILITATION, PROJECT No. 10013.**

Summary: Prima Deshecha Canada Channel, Facility No. M01 between Calle Grande Vista and Avenida Vaquero is currently a concrete trapezoidal channel that was constructed in the late 1960s. The concrete panels within this section of the channel are deteriorating and are in need of replacement. This reach of M01 is considered a major regional flood control facility and has a tributary drainage area of about 3,770 acres. To rehabilitate the channel, VA Consulting, Inc. (consultant) designed, obtained regulatory permits and prepared plans and specifications for public bidding.

The project was advertised and the results are presented in the attached Bidders Listing. The bids range from \$992,048 to \$2,116,358 and the engineer's cost estimate is \$1,060,000. After the public bid opening, the apparent low bidder, Excavating Engineers, Inc., contacted staff and indicated that a cost error of \$363,000 was made on the bid. Excavating Engineers, Inc. claims that the error was made when their estimator transferred the numbers from one spread sheet to another and subsequently transferred the wrong numbers onto the submitted Bid Form. Excavating Engineers, Inc. has requested the City relieve them of their bid due to the large cost discrepancy in relation to the grand total bid price.

The second apparent low bidder, Lonerock, Inc. at \$1,338,468, also made a mistake in adding all the bid extensions on the submitted Bid Form. The correct grand total bid amount for Lonerock, Inc. is \$1,482,648. Lonerock Inc. has also requested that the City relieve them of their bid due to the large cost discrepancy in relation to the correct grand total bid price.

Staff is recommending rejecting all of the bids, evaluating other cost saving alternatives and rebidding the project during the upcoming winter months with construction commencement in spring of 2013. In accordance with the California Public Contract Code Section 5105, Excavating Engineers, Inc. and Lonerock, Inc. "are prohibited from participating in further bidding on the project." Staff recommends delaying the project because construction of this magnitude of flood control channel during the winter months will be challenging and could be risky if a large storm event occurs.

Recommended

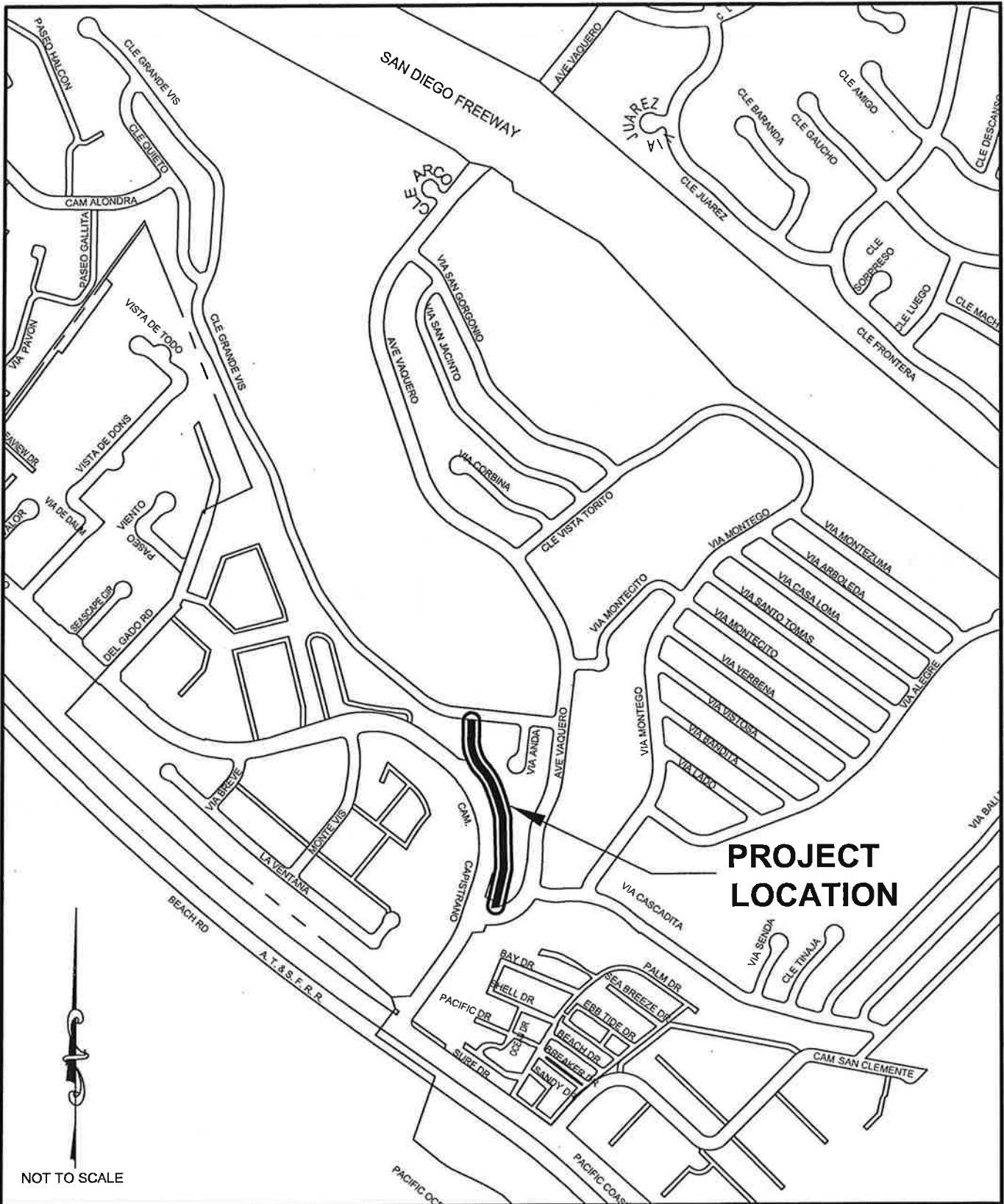
Action: STAFF RECOMMENDS THAT the City Council:

1. Reject all bids for the Prima Deshecha Canada Channel, Facility No. M01 Rehabilitation, Project No. 10013; and
2. Authorize staff to rebid for the Prima Deshecha Canada Channel, Facility No. M01 Rehabilitation, Project No. 10013.

Fiscal Impact: None at this time.

Attachments: Location Map
Bidder's Listing

Notification: None



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LOCATION MAP
Prima Deshecha
Canada Channel(M01)
 PN 10013

6E-3

BIDDER'S LISTING

BID OPEN TIME: 2:00 p.m.

BID OPEN DATE: 5-24-12

PRESENT:

Prima Deschecha Canada Channel (MO1)
Proj No. 10013

Rita Mueller
Gary J. Borczyk

Subject:

No. of Bids: 4

Company Information	Bid Bond, Etc.	Addendum No. 1	Addendum No. 2	Amount
LONEROCK, INC. 26 Vista Firenze Laguna Hills, CA 92653	✓	✓	✓	#1,228,648.00 1,338,468.00 ←
SUKUT SKUT, Inc. 4010 W. Chandler Ave. Santa Ana, CA 92704-5274	✓	✓	✓	#2,116,358.00
Excavating Engineers 5256 S. Mission Rd., #703-002 Bonsall, CA 92003	✓	✓	✓	#992,047.50
KEC Engineering 200 N. Sherman Avenue Corona, CA 92882	✓	✓	✓	#2,073,293.00