

# Agenda Report

TO: CITY COUNCIL

January 26, 2004

FROM: City Manager

SUBJECT: Rejection of Bids - Laguna Road Trunk Sewer – Phase 3, Hillside Terrace to 360 feet Northwest of San Rafael Avenue

## RECOMMENDATION:

It is recommended that the City Council reject all bids received on January 7, 2004, in response to the specifications for Laguna Road Trunk Sewer – Phase 3, Hillside Terrace to 360 feet Northwest of San Rafael Avenue and authorize the City Manager to call for new bids.

## BACKGROUND:

The project provides for replacing structurally defective and hydraulically deficient reaches of the Laguna Road trunk sewer. This is the third phase of the multi-phase project that calls for replacing the undersized and deteriorated line along the full length of Laguna Road from Hermosa Road to San Rafael Avenue – a distance of slightly less than one mile. Phases 1 and 2, which replaced deficient and deteriorated pipes, were completed in October 2000 and January 2002, respectively.

The work consists of removing 12-inch diameter vitrified clay pipes and replacing them with 15-inch diameter vitrified clay pipes between 901 Laguna Road and 1040 Laguna Road. The sewer mainline will be relocated away from the existing water mainline between 1000 Laguna Road and 1040 Laguna Road in order to meet the health code ordinance.

The subject project is included in the approved Capital Improvement Program. The Department of Public Works has prepared plans and specifications for the project, and bids have been requested and received.

Following advertising, 12 bids were received on January 7, 2004. In reviewing the bids, an error in the bid documents was discovered. The bid quantities for the first two bid items were transposed. The error results in bids that can not be fairly compared against each other, and if the unit prices submitted are used as a basis for payment, would significantly increase the project cost over and above the actual bid price. In addition,

the apparent low bidder has requested that he be allowed to withdraw his bid due to an error in his calculations, which is aggravated by the error in the bid documents.

Following re-advertising and contract award, it is anticipated that construction will begin in early April 2004.

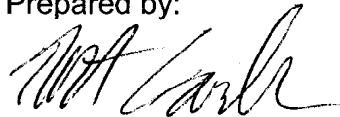
FISCAL IMPACT:

Other than minor staff and printing costs, rejecting bids and re-advertising will have no fiscal impact on this project.

Respectfully submitted,

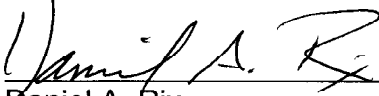
  
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