

# Agenda Report

**TO:** CITY COUNCIL **DATE:** NOVEMBER 14, 2005

**FROM:** CITY MANAGER

**SUBJECT:** REJECTION OF BIDS – STATE ROUTE 710 MITIGATION – INTERSECTION MOBILITY IMPROVEMENTS LAKE AVENUE AT WALNUT STREET AND HILL AVENUE AT WALNUT STREET FEDERAL-AID PROJECT NO. RABA01-5064(023)

**RECOMMENDATION:**

It is recommended that the City Council reject all bids received on October 5, 2005, in response to the Specifications for the State Route 710 Mitigation – Intersection Mobility Improvements Lake Avenue at Walnut Street and Hill Avenue at Walnut Street project and authorize the City Manager to call for new bids.

**BACKGROUND:**

The Intersection Mobility Improvements Lake Avenue at Walnut Street and Hill Avenue at Walnut Street project is one of the eight projects included in the federally funded State Route (SR) 710 Mitigation Project, which was approved by City Council on June 17, 2002.

This project includes the widening of the east side of Lake Avenue from Walnut Street to approximately 300 feet south of Walnut Street to provide an exclusive northbound to eastbound right turn lane. The proposed right turn lane will facilitate traffic operations and reduce congestion at this intersection. The project also includes traffic signal upgrades at the intersection of Hill Avenue and Walnut Street to provide protective/permissive left turn phasing in all directions. These improvements together will facilitate and encourage the use of Walnut Street as an alternative access to the eastbound I-210 freeway from Hill Avenue and Allen Avenue.

Following advertising, bids were received on October 5, 2005, and are as follows:

|    | <u>Bidder</u>                         | <u>Amount</u>      |
|----|---------------------------------------|--------------------|
| 1. | E.C. Construction                     | Non-Responsive Bid |
| 2. | Bannaoun Engineers Constructors Corp. | \$ 499,778.50      |
|    | Engineer's Estimate                   | \$ 360,963.00      |

The lowest responsive bid exceeds the Engineer's Estimate by 38% and exceeds the available funding.

A review of the bids determined that the items associated with traffic signal work resulted in higher than expected bids. It appears that there are two primary reasons for the higher than expected bids on these items. First, there is the continued escalation of construction materials costs (i.e. steel and copper) associated with this type of work. Secondly, there is a large amount of traffic signal and street light work in progress throughout the region and many of the regular bidders declined to bid on this project.

Due to the higher than expected bid amounts, it is recommended that all bids be rejected and the project be re-advertised. However, in order to reduce the project cost, the City will reevaluate the scope of work and delete the larger of the two traffic signal components from this project. The traffic signal component for the intersection of Hill Avenue and Walnut Street will be incorporated into the SR 710 Mitigation – Traffic Control and Monitoring Systems – Intelligent Transportation System (ITS) Project, which already includes extensive traffic signal work on 11 corridors, one of which is Hill Avenue. Bidding this signal work with a large traffic signal upgrade project will allow the City to realize cost savings through economies of scale.

Re-bidding this project is expected to delay construction six to eight weeks from the original construction dates, which can be accommodated within the federal funding schedule. Following re-advertising and contract award, it is anticipated that construction will begin in March, 2006 and be completed in June, 2006.


**FISCAL IMPACT:**

The request to re-bid the project is an attempt to keep the cost of the project within the funds available in Budget Account No. 73127, Intersection Mobility Improvements Lake Avenue at Walnut Street and Hill Avenue at Walnut Street.

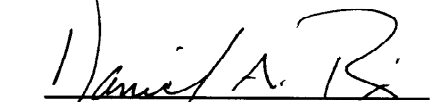
Respectfully submitted:

  
CYNTHIA J. KURTZ  
City Manager

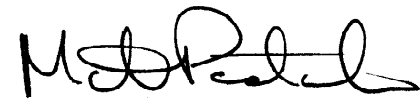
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