



CITY OF MENIFEE

SUBJECT: Sun City Community Pedestrian Improvement Project Bid Rejection

MEETING DATE: June 1, 2022

TO: Mayor and City Council

PREPARED BY: Diego Guillen, Associate Engineer

REVIEWED BY: Nick Fidler, Public Works Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Reject all bids submitted for the Sun City Community Pedestrian Improvement Project, located along Cherry Hills Boulevard and Bradly Road, Capital Improvement Project No. CIP22-20.

DISCUSSION

The Sun City Community Pedestrian Improvement Project consists of improvements to 23 accessible curb ramps along Cherry Hills Boulevard and Bradly Road to comply with American Disabilities Act (ADA) requirements, curb, gutter, cross gutters, and striping improvements. In June 2021, the Riverside County Transportation Commission (RCTC) approved the Project for funding under the Senate Bill (SB) 821 Bicycle and Pedestrian Facilities Program. The Project was approved for funding in the amount of \$183,886, or 50% of the total estimated cost of \$367,772 at the time of application. The funding was approved with a local match requirement for the remaining cost of \$183,886.

In May 2022, staff solicited bids for the construction of the Sun City Community Pedestrian Improvement Project through PlanetBids. The City received a total of two bids summarized in Table 1 below:

Table 1- Bid Results Summary

Bidders (Lowest to Highest)	Total Bid
LC Paving & Sealing, Inc.	\$416,732.50
Calpromax Engineering	\$528,480.00

The project's construction cost was originally estimated at \$367,771 during the SB 821 application cycle based on costs from completed projects of a similar scope. Using the lowest bid amount and including other construction items, the project cost is anticipated at approximately \$482,405.50.

The total construction costs are significantly higher than the available funding approved for this project as shown in Table 2 below.

Table 2- Available Project Budget Summary

Funding Source	Project	Account Number	Available Balance
General Fund	Sun City Community Pedestrian Project	100-4555-58137	\$183,886
Grant Fund (SB 821 Approved funding)	Sun City Community Pedestrian Project	301-4555-58137	\$170,926
Total			\$354,812

Given higher than expected construction costs in the bid responses, an additional \$127,594 would be required to move forward with the project. Under the existing Reimbursement Agreement with RCTC, the maximum grant reimbursement amount allowed is \$183,886. The City would be responsible to cover the remaining amount which would require an additional appropriation from the General Fund to proceed with this Project. As a result of receiving only two bids for the Project, staff determined that re-bidding would provide an opportunity to obtain additional bids for a more competitive selection.

Due to current market trends in labor and material costs, prices have significantly increased resulting increases in overall costs. To mitigate the potential for similar bid results, staff will make minor modifications to the Project's plans. This would allow the City to maintain the Project scope without compromising the grant funding requirements. By re-bidding the project, the City is able to obtain a cost closer to the Project's approved budget.

Public Contract Code § 20166 allows a legislative body in its discretion to reject any bids and readvertise. In an effort to accommodate the Project's current available funding, the City must reject the submitted bids, and re-bid the project.

Re-bidding the project would not hinder the City's ability to meet the grant-required project completion schedule. Upon completion of the re-bidding process, staff would present a recommendation for award at a later date. Below is a tentative schedule reflecting the changes to the re-bid date:

Anticipated Construction Start Date:	August 10, 2022
Estimated Construction Completion Date:	October 12, 2022
Estimated Council Acceptance Date:	November 16, 2022

*Assumes no delays due to weather or unforeseen conditions.

STRATEGIC PLAN OBJECTIVE

Safe and Attractive Community

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

ATTACHMENTS

1. Location Map