



## Legislation Text

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File #: 19-960, Version: 1

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### MEMORANDUM

**TO:** Board of Supervisors on behalf of CSA-20 Soda Bay water system

**FROM:** Jan Coppinger, Special Districts Administrator

**DATE:** October 8, 2019

**SUBJECT:** Approve the rejection of all bids for the Soda Bay CSA-20 Redwood Water Tanks Replacement Project, Bid No. 19-12

#### EXECUTIVE SUMMARY:

On June 19, 2019 the Soda Bay CSA-20 Redwood Water Tanks Replacement Project, Bid No. 19-12 was advertised. A pre-bid meeting was held on July 10, 2019 and bids were received no later than 3:30 p.m. on July 29, 2019. The project consists of replacing 4 redwood water tanks within the Soda Bay water system with bolted steel tanks and is grant funded through the FEMA Hazard Mitigation Grant Program (HMGP) at a 75% grant/25% match ratio. Total grant funding available is \$720,000 with a local match of \$240,000 for a total project cost of \$960,000.

Engineering costs have been approximately \$150,000 to date and construction management costs are anticipated to be between \$80,000 and \$100,000. Five bids were received and a bid tabulation is attached for your use. The bid documents were structured such that Tank #4 was identified as a deductive alternate allowing for flexibility in awarding the project if bids were higher than anticipated.

Unfortunately bids were significantly higher than the engineer's estimate; possibly due to contractor availability and tank scarcity related to recent wildfire events. Staff contacted CalOES to inquire after additional funding. Additional funding is not available, however CalOES is willing to work with the District to fund a reduced scope of work as long as the Benefit Cost Analysis (BCA) is greater than 1. As such, funding is not available to award the complete project as bid, or the reduced project without Tank #4.

In accordance with Article 19, "Evaluation of Bids and Award of Contract", subsection 19.1 of the Bid Documents staff recommends rejecting all bids. This will allow the project to be advertised again with two of the tanks in the Base Bid and two tanks identified as additive alternates. This should provide additional options within the bid/award process allowing for the award of a project which replaces at least two of the tanks.

**FISCAL IMPACT:** ☒ None ☐ Budgeted ☐ Non-Budgeted

Estimated Cost:

Amount Budgeted:

Additional Requested:

Annual Cost (if planned for future years):

**FISCAL IMPACT (Narrative):** Due to the bid prices exceeding the District Administrators signing authority the project necessitates approval for award by the Board. It is therefore appropriate that the Board also take formal action in rejecting all bids.

**STAFFING IMPACT (if applicable):** There will be minimal staff time required to slightly modify the bid documents and reissue the bid.

**RECOMMENDED ACTION:** Approve the rejection of all bids for the Soda Bay CSA-20 Redwood Water Tanks Replacement Project, Bid No. 19-12