



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: Richard Thompson, Interim City Manager

FROM: Jim Arndt, Director of Public Works
Steve Finton, City Engineer
Ish Medrano, Project Manager

DATE: November 16, 2010

SUBJECT: Consideration to Approve Award of Contract (\$90,347.00) for the Manhattan Heights and Live Oak Park Fence Reconstruction Project to Western Fencing Supply

RECOMMENDATION:

It is recommended that the City Council pass a motion to:

1. Reject the bid protests submitted by Harris Steel Fence Co., Inc.;
2. Award a contract in the amount of \$90,347.00 (base bid \$84,647 plus additive alternate bid \$5,700) to Western Fencing Supply for the Manhattan Heights and Live Oak Park Fence Reconstruction Project; and,
3. Authorize the Director of Public Works to approve additional work in an amount not-to-exceed \$9,034.70 (10%), if required.

FISCAL IMPLICATION:

Capital Improvement Funds in the total amount of \$280,000 have been appropriated for this project through the Fiscal Year 2006-07 Capital Improvement Program. A summary of appropriations and anticipated expenditures is as follows:

Budget	
Capital Improvement Fund	CIP 07402e \$280,000.00
TOTAL BUDGET \$280,000.00	
Anticipated Expenditures	
Construction Contract (Base Bid)	\$ 84,647.00
Additive Alternate	\$ 5,700.00
Additional Approved Work (10%)	\$ 9,034.70
TOTAL ESTIMATED EXPENDITURES	\$ 99,381.70
Estimated Balance After Completion	\$180,618.30

BACKGROUND:

There is a significant amount of chain link fencing at Heights Park and Live Oak Park. Over the years, corrosion and heavy use have caused localized deterioration. This project was included in the CIP to replace rusted and/or stretched fencing at various locations at these parks.

Environmental Review

In accordance with the California Environmental Quality Act (CEQA) of 1970, this project is Categorically Exempt (Section 15301, Class 1(d)). A Notice of Exemption has been filed with the County Clerk’s office.

DISCUSSION:

Bid Proposals

This project was advertised for bids in six construction industry publications. Subsequently, 17 sets of plans and specifications were provided to contractors, subcontractors and material suppliers. A total of seven bids were received and opened on October 28, 2010 as follows:

	Engineer’s Estimate	\$262,415.00
1.	Western Fencing Supply	\$ 84,647.00
2.	Harris Steel Fence Company	\$100,910.00
3.	Century Fences	\$101,024.45
4.	APW Construction, Inc.	\$121,564.00
5.	Lightning Fence Co. Inc.	\$123,064.00
6.	US Fence and Gate, Inc.	\$123,102.00
7.	Dash Construction Company, Inc.	\$169,475.00

Western Fencing Supply’s bid was reviewed by the Public Works Department and found to be responsive. Staff reviewed Western Fencing Supply’s contractor’s license and found it to be in order. Additionally, references indicate Western Fencing Supply has the knowledge and capability to complete the work.

Low Bids

The Engineer’s estimate was developed through consultation with several fencing contractors. Staff was confident with the estimate. Upon opening the bids, staff was concerned about the extremely low bid prices received. Staff questioned the low bidder to verify that he fully understood the work involved and was confident he could complete the project. He and other bidders indicate that there few bid opportunities at this time and bidders are willing to do the work at cost to keep their businesses afloat.

Additive Alternate

The bid proposal for the project also included an additive alternate item for sanding, priming and painting of the existing posts and top and bottom rails. Western Fencing Supply’s price for the additive alternate was \$5,700, bringing the cost of their total bid to \$90,347.00 (base bid + additive alternate).

Authorization of Additional Work by Director of Public Works

It is recommended that the Director of Public Works be authorized to approve change orders in an amount not-to-exceed \$9,034.70 (10% of contract cost) to complete unforeseen additional work. Doing so would expedite completion of the project. A report of any additional work would be provided to Council at the end of the project.

Bid Protest

A bid protest was submitted Harris Steel Fence Co., Inc. on November 2, 2010. The protest addresses issues that the City Attorney characterizes as minor irregularities that can be waived by City Council. The protest addresses the following:

Protest Submitted by Harris Steel Fence Co., Inc.	Justification to Deny Protest
<p><i>“Page 7 (Statistical Information Questionnaire) was not signed or dated.”</i> [by Western Fence & Supply D.B.A. Pilgrim Fence Company].</p>	<p>The statistical information is for informational purposes only and does not have material effect on the bid.</p>
<p><i>“Page 8 (Non-collusion Affidavit) was improperly notarized</i> [by Western Fence & Supply D.B.A. Pilgrim Fence Company] <i>with an acknowledgement. The actual document should have been Notarized using the existing verbiage or Jurat/Affidavit should have been attached.”</i></p>	<p>The non-collusion affidavit submitted by Western Fence & Supply D.B.A. Pilgrim Fence Company was accompanied by an attached notary statement deemed acceptable to the City Attorney.</p>
<p><i>“Page 11 (Bidders Bond) was not signed by a [Western Fence & Supply D.B.A.] Pilgrim Fence Co. representative with no company seal embossed on the bond”</i></p>	<p>The Bidder’s Bond submitted by Western Fence & Supply D.B.A. Pilgrim Fence Company included the seal and signature of the surety company representative and was accompanied by the requisite power of attorney. The Contractor is not required to sign the bond document.</p>

It is recommended that City Council reject the bid protest.

Schedule

It is estimated that construction will begin on or after December 20, 2010 and be complete in 30 working days.

Attachment: Map of Heights Park and Live Oak Park

xc: Henry Mitzner, Controller
 Jeanne D. O’Brien, Accountant

City of Manhattan Beach

Fence Reconstruction Project

