



City of Huntington Beach

File #: 22-449

MEETING DATE: 6/7/2022

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Sean Joyce, Interim City Manager

VIA: Sean Crumby, Director of Public Works

PREPARED BY: William Janusz, Principal Civil Engineer

Subject:

Reject bids for the Traffic Signal Modification Project at Main Street and Delaware Street, CC-1671

Statement of Issue:

On May 2, 2022, bids were opened for the traffic signal modification project at the intersection of Main Street and Delaware Street, CC-1671. However, staff recommends that all bids be rejected since the available funding programmed in the Traffic Impact Fee account is insufficient to construct this project.

Financial Impact:

Funds totaling \$365,000 for construction and construction administration were appropriated in the Fiscal Year 2021-2022 budget within the Traffic Impact Fee fund, Account Number 20690016.82700. However, the lowest responsible bid, combined with City furnished equipment, construction administration and contingencies, exceeds the budget for a total cost of \$562,000. This would result in a funding shortfall of \$197,000.

Recommended Action:

Reject all bids for the Traffic Signal Modification project at the intersection of Main Street and Delaware Street, CC-1671.

Alternative Action(s):

Do not reject bids, and direct staff accordingly.

Analysis:

Bids were received on May 2, 2022 and are listed in ascending order:

	Bidder	Submitted Bid
1	Elecnor Belco Electric, Inc.	\$312,490.00

2	California Professional Engineering, Inc.	\$317,858.00
3	Crosstown Electrical & Data, Inc.	\$336,973.00
4	Alfaro Communications Construction, Inc.	\$340,307.60
5	Baker Electric, Inc.	\$358,344.00
6	DBX , Inc.	\$379,583.00
7	Asplundh Construction, LLC	\$462,768.10

Including the lowest responsible bid by Elecnor Belco Electric, Inc, the total estimated cost of this project is \$562,000, as outlined below:

Bid	\$312,490
15% Construction Contingency	\$ 46,874
City Furnished Equipment	\$166,636
Construction Administration/Testing	\$ 36,000
TOTAL	\$562,000

Funds totaling \$365,000 for construction and construction administration were originally appropriated in the current fiscal year budget within the Traffic Impact Fee fund, Account Number 20690016.82700. Should the City move forward with the project, it would face a funding shortfall of \$197,000.

Acceptance of the lowest responsive and responsible bid would require allocation of additional funds from an alternative transportation funding source to meet this shortfall, which is attributed to the significant, inflationary increases in the cost of labor and construction materials over the past year. Staff believes it would be prudent to reject all bids and postpone this project pending stabilization of the construction market. Public Works will evaluate the bid package and monitor construction market conditions over the upcoming 6-8 months to look for opportunities to streamline the project and identify more favorable conditions to rebid the project and return to the City Council with a recommended action. Section 614 of the City Charter authorizes the City Council to reject bids for construction projects at their discretion.

CIAB/Public Works Commission Action:

The CIAB/Public Works Commission recommended this project on March 16, 2022 by a vote of 9-0-2 (Nguyen and Schlosser absent).

Environmental Status:

This project is categorically exempt pursuant to the California Environmental Quality Act, Section 15301 (c).

Strategic Plan Goal:

Infrastructure & Parks

Attachment(s):

1. Project Location Map