



## AGENDA REPORT

**Meeting Date:** December 19, 2011  
**Item Number:** G-9  
**To:** Honorable Mayor & City Council  
**From:** Ara Maloyan, Deputy City Engineer   
Anne Zaworski, Principal Civil Engineer  
**Subject:** REJECTION OF ALL BIDS FOR THE "CONSTRUCTION OF GATEWAY AND STREETScape LOCATED AT WILSHIRE BOULEVARD AND WHITTIER DRIVE", WITHIN THE CITY OF BEVERLY HILLS, CALIFORNIA, AND AUTHORIZE THE READVERTIZING FOR BID.

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### RECOMMENDATION

Staff recommends the City Council move to reject all bids for the work pertaining to the construction of a new Gateway Monument on Wilshire Boulevard at east City limit entry way, within the City of Beverly Hills and requests authorization to re-advertise the construction project for public bid.

### INTRODUCTION

At November 5, 2009 City Council meeting; Community Services/Recreation staff and Landscape Architect Steve Smith of Gruen and Associates presented proposed options associated with monument signage intended for placement at four specified locations in the City. City Council gave approval to conceptual designs presented for each location but directed the Wilshire/Whittier location as the first "test" site for installation.

### DISCUSSION

At January 12, 2010 City Council meeting; Community Services/Recreation staff and Landscape Architect Steve Smith of Gruen and Associates presented three dimensional models of the various proposed gateway signage followed by a presentation of their final design for Wilshire/Whittier Gateway Feature at the August 31, 2010 City Council meeting.

After a report to Council at December 21, 2010 City Council meeting; addressing the recommendation by the City's Traffic and Parking Commission to continue the left-turn pocket as part of Wilshire/Whittier Gateway Project (with some additional safety

measures); Council advised Project Administration staff to move forward with opening the project up to bid.

In early February 2011; Public Works-Engineering staff were assigned the Wilshire/Whittier Gateway project to determine it's readiness for bid. A peer review was conducted by Psomas and Engineering Division's staff which resulted in revisions by Gruen to the Contract Documents.

On September 28, 2011, at 2:00 PM., seven bids were publicly opened in the City Clerk's Office and they were read as follows:

<u>Contractor</u>	<u>Bid Amount</u>
PIMA Corporation	\$551,618.50
LH Engineering	\$585,119
Sully-Miller Contracting Co.	\$631,011
Kasa Construction	\$655,030
Griffith Company	\$662,809.35
G Coast Construction Inc.	\$751,335
Environmental Construction Inc.	\$787,462.50 <sup>1</sup>

Gruen's engineering estimate was \$850,000.

After the bids were opened; it was brought to staff's attention by Community Development staff that the proposed "Lotus" project at 9900 Wilshire Boulevard will require the relocation of an existing Metropolitan Water District (MWD) 28" transmission line that runs south on Whittier Drive crosses Wilshire Boulevard and continues to run along southside of Wilshire Boulevard before crossing south into subject site. Also proposed landscaping and associated irrigation systems in front of the project would have been removed due to their construction activity. Consequently, staff determined that it is in the best interest of the City to: a) reject all bids at this time b) modify the existing Contract Documents to ensure that none of the proposed Gateway improvements at this location will be impacted by "Project Lotus" c) pre-qualify Contractors for the rebidding of both this modified project together with the other three proposed high-profile gateway monument projects and d) re-advertise the modified project for public bid in early FY2012/2013.

### **FISCAL IMPACT**

There is minimal fiscal impact to the City in the rejection of all seven bids, pre-qualifying of Contractors for all four gateway Monuments and re-advertizing of modified Contract Documents costing approximately \$5,000 to re advertise for bids. The savings potential (in both actual dollars, Public Relations/Public Perception) by preventing the removal/replacement of components of the new Gateway Project by the "Project Lotus" Developer (within months of new construction) is immeasurable.

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<sup>1</sup> Revised to \$769,492.50 after Bid Analysis.

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Funds for this project are provided in Community Service's "Improvements to City Gateways" Capital Improvement Project Fund Account Number 40-06-701.



David Gustavson  
Approved By