



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: July 16, 2013
To: Honorable Mayor & City Council
From: Steven Zoet, Director of Community Services
Subject: Bid Results for Phase One Improvements to the Beverly Gardens Restoration Project
Attachment: None

INTRODUCTION

On July 2, 2013 the city received a total of 14 bids that were submitted in response to 11 different bid packages associated with the first phase of the planned Beverly Gardens Restoration Project. Due to several bid packages receiving only one bid and the sum of the various bid packages exceeding total project cost estimates staff feels that it is in the best interests of the city to reject and rebid select bid packages. It is anticipated that doing so will result in a more competitive and responsive process whereby additional bids will be received and the city will benefit by a total project cost that is closer to original cost estimates.

DISCUSSION

The first phase of the park's renovation as planned is to include the restoration of the lily pond and an accompanying fountain located directly behind the Beverly Hills sign. Additional planned improvements include landscaping enhancements and the introduction of pathway and landscape lighting. The construction model selected by the city for this project is the construction management/multi-prime method which has yielded favorable results for the city in the past. Matt Construction, with whom the city has had a favorable relationship on past projects, was engaged by the city and the project design team early on to provide guidance and cost estimating services.

Eleven different trades and major bid components were identified and competitively bid by various contractors. All responsive bidders had gone through a prequalification process which was administered by Matt Construction and conformed to all mandated State guidelines. The bid process was advertised utilizing the same methods and practices traditionally employed by the city in announcing its capital project opportunities.

Meeting Date: July 16, 2013

Through all of these efforts, the city unfortunately received bids that were unexpectedly high for six of the bid packages and, as a result, the summation of all bids was higher than the project's total estimated cost. All of these packages received only one bid which, presumably, contributed to an unfavorable outcome.

Due to these circumstances, it is the construction manager's recommendation, supported by staff, to reject the bids associated with these packages and to initiate a rebid process. Bids would be scheduled to be received on August 12, 2013 and, pending favorable results, it is anticipated that a recommendation for award of contract would occur on August 20, 2013.

Ongoing communications with Matt Construction have indicated that, through their analysis, they have found duplication of scope within some of the bids received. Additionally, their further critique of the bid documents suggests there may have been more material quantities that were bid than was intended by the bid documents and they are coordinating with the design team for clarification. They have also found in their contact of numerous contractors who were originally thought to be submitting a bid based on earlier expressed intents that, as the deadline drew near, they did not do so due to multiple other competing jobs which became their focus. Matt Construction has assured the city that they will do their best to assure that a more comprehensive pool of contractors will be notified and encouraged to bid the packages which will hopefully result in a more competitive environment and yield better pricing.

FISCAL IMPACT

There is no fiscal impact as this item is informational only and no action is being requested by City Council. Should City Council act on staff's request to rebid identified packages, which will be formally made at this evening's Regular meeting as noted below, the city will bear no cost in the re-bid process as that will be the responsibility of Matt Construction and associated costs will be borne by them.

RECOMMENDATION

This report is for informational purposes only. No action is required on the part of City Council in association with this report. However, staff will be bringing a formal request to City Council at the July 16 Regular Meeting to officially reject and rebid select bid packages associated with the project. Additional information and specifics associated with these bids will be provided to City Council as a part of that report. Pending City Council's direction, it is assumed that the results of a rebid will be closer to those estimates originally provided.

Steven Zoet
Approved By

