



Staff Report

TO: City Council
FROM: Jeff Hart, Public Works Director
DATE: September 6, 2022
SUBJECT: **Reject All Bids for Capital Improvement Project CIP 2017-009
Pennsylvania Avenue Widening**

Background and Analysis:

On June 6, 2022, Capital Improvement Project (CIP) 2017-009 Pennsylvania Avenue Widening was publicly advertised soliciting construction bids. During the bidding period, at least nine general construction contractors accessed the bid documents, asked questions, or showed general interest in the project. On August 18, 2022, only one bid was received and publicly opened.

City staff worked with the City Attorney to evaluate the one bid received and determine the next steps considering the lack of additional bid responses. In an ideal situation, multiple bid responses allow increased competition and a greater opportunity for the City to receive competitive pricing. Many factors can influence the number of bids received, including the current work schedule of available contractors, availability of construction materials, complex regulatory requirements, permitting, and detailed construction contract requirements. A re-bid would allow the City an opportunity to reach out to a greater number of construction contractors, potentially adjust construction contract requirements, and increase the competitive bid response.

While the City may consider awarding the bid to the only bidder, it is not required to do so. The Beaumont Municipal Code allows the option for the City to reject all bids and re-advertise the project for construction. This will allow the City an opportunity to engage additional potential bidders in hopes of providing a more competitive bid response.

Fiscal Impact:

The cost to reject the bids and readvertise for construction bids is estimated to be \$1,000.

Recommended Action:

Reject all bids for CIP 2017-009 Pennsylvania Avenue Widening and authorize City staff to readvertise for construction bids.