

SUBMITTED BY: Jennifer Smith, Economic Development/Community Services Director

MANAGEMENT TEAM REVIEW: Ana Urquijo, City Manager

FOCUS AREA: Other / NA

ORGANIZATIONAL IMPROVEMENTS: Rebidding promotes greater efficiency, transparency, and fiscal responsibility by seeking cost-effective solutions and strengthening the City's procurement process.

SUBJECT: **DOUGLAS DOWNTOWN STREETScape BID REJECTION and REISSUE REQUEST for PROPOSALS.**

EXECUTIVE SUMMARY:

Staff recommend that the Mayor and Council reject the single bid received under RFP 2026-ADM-003 and authorize staff to re-advertise the project. The only submission, from KE&G, exceeded the city's approved budget by approximately \$2.8 million. Rebidding the project will allow the city to expand its outreach efforts, attract a broader range of qualified contractors, and obtain more competitive pricing to align with fiscal targets.

BACKGROUND:

RFP 2026-ADM-003 was issued on 9/13/2025 for the project: Douglas Downtown Streetscape. The bid opening was held on Thursday, 10/16/2025, and the city received only one (1) bid submission from KE&G.

Upon review, the bid submitted by KE&G exceeded the city's approved project budget by approximately \$2.8 million, making it financially unfeasible to proceed under the current proposal.

DISCUSSION:

Given the significant difference between the budgeted amount and the bid received, as well as the limited number of responses, staff recommend rejecting the bid in accordance with the city charter.

To obtain more competitive pricing and ensure fiscal responsibility, staff propose re-advertising the RFP with expanded outreach. This will include broader statewide notification to qualified contractors, enhanced publication on regional bid platforms, and direct outreach to potential bidders.

Rebidding the project will provide an opportunity to attract additional qualified contractors, promote competitive pricing, and align project costs closer to the city's budget.

FISCAL IMPACT:

None.

Fiscal Year: 2025/2026

Amount Requested: \$0

Budgeted: Y / N

Account (s):

“...I MOVE THAT THE MAYOR AND COUNCIL REJECT THE BID SUBMITTAL BY KE&G AND REISSUE THE REQUEST FOR PROPOSALS FOR THE DOUGLAS DOWNTOWN STREETScape.”