



Folsom City Council Staff Report

MEETING DATE:	8/27/2024
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11248 - A Resolution to Reject all Bids for the Pavement Repair and Resurfacing Project FY 24-25, Project No. 8017
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11248 - A Resolution to Reject all Bids for the Pavement Repair and Resurfacing Project FY 24-25, Project No. 8017.

BACKGROUND / ISSUE

The Public Works Department manages the City of Folsom's Pavement Management Program, which includes funding for the ongoing repair, resurfacing, and maintenance of roadways in the City.

The Pavement Repair and Resurfacing Project FY24-25, Project No. 8017, is included in the adopted Fiscal Year 24-25 Capital Improvement Plan, with funding in the amount of \$2,000,000, utilizing both Measure A (Fund 276) and SB-1 Road Maintenance and Rehabilitation (Fund 235).

Public Works staff prepared construction drawings, and the project was advertised for bid in June 2024. All eight bids received were a minimum of 39% over the engineer's estimate, and the scope of the project is now being modified to reduce costs and keep in line with available funding.

POLICY / RULE

Section 2.36.180, Award of Contracts of the Folsom Municipal Code states, in part, that the City Council may reject any or all bids or proposals when it is for good cause and in the best interests of the City.

ANALYSIS

Public Works staff prepared the bid package, and the project was publicly advertised on June 18, 2024. On July 10, 2024, the Public Works Department received the following bids:

- Consolidated Engineering, Inc. \$ 2,276,483.00
- Central Valley Engineering & Asphalt, Inc. \$ 2,326,469.00
- B&M Builders, Inc \$ 2,343,420.00
- VSS International \$ 2,418,000.00
- Lucas Paving \$ 2,481,145.00
- Pavement Coatings Co. \$ 2,540,645.00
- Martin Brothers Construction \$ 2,564,010.00
- United Pavement Maintenance \$ 2,676,340.00

The Engineer’s Estimate for this project was \$1,636,520. The Public Works Department has evaluated the bids received and recommends that all bids be rejected.

The primary factors that contributed to the difference between the estimate and bid results include rapid inflation, fluctuating construction costs, and the lack of a clearly defined scope in one or more areas of work.

FINANCIAL IMPACT

All eight bids exceed the current project budget and should be rejected so that the scope of the project can be modified and rebid.

Staff expects to rebid the project in the winter of FY 24-25 and begin construction in spring FY 24-25.

ENVIRONMENTAL REVIEW

This project is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301.

ATTACHMENT

Resolution No. 11248 - A Resolution to Reject all Bids for the Pavement Repair and Resurfacing Project FY 24-25, Project No. 8017

Submitted,

Mark Rackovan, PUBLIC WORKS DIRECTOR

RESOLUTION NO. 11248

A RESOLUTION TO REJECT ALL BIDS FOR THE PAVEMENT REPAIR AND RESURFACING FY 24-25 PROJECT, PROJECT NO. 8017

WHEREAS, the City of Folsom desires to repair and rehabilitate the existing pavement and asphalt on various roadways within the City; and

WHEREAS, the project was publicly advertised on June 18, 2024, and the bids were received on July 10, 2024, with Consolidated Engineering, Inc. being the lowest responsible bidder at \$2,276,483; and

WHEREAS, the Engineer's Estimate was \$1,636,520; and

WHEREAS, funds in the amount of \$2,000,000 are budgeted and available in the Pavement Repair and Resurfacing Project FY24-25, Project No. 8017, utilizing both Measure A (Fund 276) and SB-1 Road Maintenance and Rehabilitation (Fund 235); and

WHEREAS, the scope of the project will be reevaluated and modified to more closely align with the available budget and readvertised after the rejection of all bids;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom reject all bids for the Pavement Repair and Resurfacing Project FY 24-25, Project No. 8017.

PASSED AND ADOPTED on this 27th day of August 2024, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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FOLSOM
DISTINCTIVE BY NATURE