



## Legislation Text

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File #: 20-314, Version: 1

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*Report Prepared by: Michael R. Beltran II, PE, City Engineer*

**SUBJECT:** Rejection of the Bid Protest Submitted by ANV Contractors, Inc. and Approval of Award of Construction Bid and Approval of the General Construction Contract to Daguerre Construction for the Lab Building and Solid Handling Building Restrooms, Project No. 120025, in the Amount of \$86,000

### REPORT IN BRIEF

Considers awarding a contract in the amount of \$86,000 to Daguerre Construction to construct a restroom in the Lab Building and a restroom in the Solid Handling Building.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Rejecting the Bid Protest Submitted by ANV Contractors, Inc.
- B. Awarding the bid for the Lab Building and Solid Handling Building Restrooms, Project No. 120025, to Daguerre Construction, in the amount of \$86,000; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract.

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to modifications as conditioned by City Council; or,
3. Refer to staff for reconsideration of specific items; or,
4. Deny.

### AUTHORITY

Charter of the City of Merced, Section 200, et seq.

Municipal Code Chapter 3.04, Article IV - Public Works Contracts. Every project involving an expenditure of more than seventy thousand, nine hundred and thirty-nine dollars (\$70,939) for the construction or improvements of public buildings, works, streets, drains, sewers, utilities, parks, and playgrounds shall be let by contract to the lowest responsive and responsible bidder after notice by publication in the official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

## CITY COUNCIL PRIORITIES

As provided for in the 2020-21 Adopted Budget.

## DISCUSSION

### Lab Building and Solid Handling Building Restrooms

The Public Works Department requested that a restroom be constructed in both the Lab Building and the Solid Handling Building at the City Wastewater Treatment Plant as there are no current restrooms in those buildings.

The project was advertised, and the three (3) bids received were opened on May 19, 2020:

Daguerre Construction (Los Banos, CA) -	\$ 86,000
Commercial Construction Company (Merced, CA) -	\$102,800
ANV Contractors, Inc (Atwater, CA) -	\$123,800

The engineer's estimate was \$88,600.

The following is the proposed budget for the project:

Construction	\$ 86,000
Contingency (10%)	\$ 8,600
Engineering, Testing, Inspection (8%)	\$ 6,880
Total	\$ 101,480

It should be noted that a bid protest was received by ANV Contractors, Inc. The apparent low bidder (Daguerre Construction) had an opportunity to respond, and the protest was rejected because the Instructions to Bidders, Item C, Examination of Plans, Specifications, Contract and Site of Work, on page 7 of the specifications for the project states, "The bidder shall examine carefully the site of the work contemplated, the plans and specifications, and the proposal and contract forms therefor. The submission of a bid shall be **conclusive evidence** that the bidder has investigated and is satisfied as to the conditions to be encountered as to the character, quality and quantities of work to be performed and materials to be furnished, and as to the requirements of the proposal, plans, specifications, and the contract."

## IMPACT ON CITY RESOURCES

This project was established as a Capital Improvement Project and account 553-1108-637.65-120025 contains sufficient funding to complete the project.

## ATTACHMENTS

1. Contract
2. Bid Protest Letter from ANV Contractors, Inc.
3. Response Letter to Bid Protest