City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From:

Keith G. Jones

Dept.:

General Manager

Dept.: Public Works

Subject:

RECOMMENDATION TO REJECT ALL BIDS

Date:

August 26, 2008

AND AUTHORIZE THE CITY CLERK TO RE-

ADVERTISE FOR BIDS FOR TRASK AVENUE-GILBERT STREET SEWER IMPROVEMENTS PROJECT #7811

OBJECTIVE

To receive the Garden Grove Sanitary District (GGSD) Board of Directors approval to reject all bids and authorize re-advertisement for bids for the construction of the Trask Avenue-Gilbert Street Sewer Improvements Project and include a 1300-foot section of capacity deficient sewer main on Galway Street North of Trask Avenue.

BACKGROUND / DISCUSSION

Staff solicited bids to construct the sewer improvements on Trask Avenue and Gilbert Street. Eleven (11) bids were received and opened in the City Clerk's office on June 26, 2008.

Concerning the Galway sewer, staff had intended to include this project as part of another sewer project through the change order process. However, it was determined that the Galway sewer project exceeded the budget amount of the other sewer project. This would have been a violation of the City's fiscal policies. A much better alternative is to include the Galway sewer with the Trask Avenue-Gilbert Street sewer project.

It is important to note that correction of the Galway sewer deficiency will allow development projects to proceed that had previously been delayed by the lack of sewer capacity. Therefore, it is the opinion of staff that all bids should be rejected and the project re-advertised with the inclusion of the additional capacity deficient sewer main in Galway Street.

FINANCIAL IMPACT

There are adequate budget funds for this combined project and it will be financed with sewer funds. This project will have no impact on the General Fund.

RECOMMENDATION TO REJECT ALL BIDS AND AUTHORIZE THE CITY CLERK TO READVERTISE FOR BIDS FOR TRASK AVENUE-GILBERT STREET SEWER IMPROVEMENTS PROJECT #7811 August 26, 2008 Page 2 of 2

COMMUNITY VISION IMPLEMENTATION

This project is consistent with the community vision for maintaining and upgrading the sewer system to ensure maximum protection of public health and the environment.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board:

- Reject all bids received for subject project on June 26, 2008;
- Authorize the Secretary to re-advertise Project No. 7811, Sewer Improvements Project on Trask Avenue and Gilbert Street with an added section of sewer in Galway Street.

KEITH G. JONES
Public Works Director

By: Samuel Kim

Acting Project Engineer

Recommended for Approval

Matthew Fertal General Manager