

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertal	From:	Keith G. Jones
Dept.:	City Manager	Dept.:	Public Works
Subject:	RECOMMENDATION TO REJECT ALL BIDS AND AUTHORIZE THE RE-ADVERTISEMENT OF PHASE II, STREET SIGN REPLACEMENT, IFB NO. S-1059	Date:	June 22, 2010

OBJECTIVE

To receive City Council approval to reject all bids for Phase II, Street Sign Replacement, IFB No. S-1059, and authorize re-advertisement for bids.

BACKGROUND

In 2004, the state of California adopted the Federal Highway Administration's (FHWA) Manual on Uniform Traffic Control Devices (MUTCD). The MUTCD is the federal manual that regulates the design, materials, and installation of all traffic control devices, including street signs. Through adoption of the MUTCD, the FHWA requirement is that street signs must meet increased retro-reflectivity requirements by January 2015.

This is the second phase of the project to replace and install new regulatory, warning and street name signs in a pre-designated area of Garden Grove. Approximately 3,000 regulatory and warning signs will be replaced in this phase. This project also includes an option to replace and update all speed limit signs on arterial and collector streets to match the speed limits approved by City Council Ordinance No. 2776 at the May 11, 2010 meeting.

DISCUSSION

On April 9, 2010, staff began soliciting bids for the second phase of the street sign replacement project under IFB No. S-1059. Out of 20 prospective bidders, four attended the mandatory pre-bid meeting and only two companies submitted bids, which were opened on May 11, 2010. Bid results are as follows:

COMPANY	TOTAL COST
BC Rentals Inc. dba: BC Traffic Specialist Anaheim, CA	\$414,021.50
Maneri Sign Company, Inc. Gardena, CA	\$371,725.81

After opening and reviewing the bids, several irregularities were found with the lowest bid. The second bid received was substantially higher than the low bid. It is staff's position that, after evaluating the bids and consulting with Finance and the City Attorney, the bids be rejected. Within the bid documents, it states that the City reserves the right to reject any and all bids. Changes have been made and options have been added to the scope of work in anticipation of reducing project costs.

FINANCIAL IMPACT


The funding for this project will come from the City's FY 2010/11 Traffic Control Relief Fund (TCRF) allocation.


RECOMMENDATION

It is recommended that the City Council:

- Reject all bids received for IFB NO. S-1059.
- Authorize the re-advertisement of the project.


KEITH G. JONES
Public Works Director

By: 
Albert J. Holmon, III
Streets and Environmental Manager

Recommended for Approval

Matthew Fertal
City Manager