

**CITY COUNCIL  
AGENDA REPORT**



**CITY OF MILLBRAE**  
621 Magnolia Avenue  
Millbrae, CA 94030

<b>SUBJECT:</b> Reject, by Motion, the Two Bids Received for the Fiscal Year 2018-2019 Water Pollution Control Plant Improvements Project  <b>ATTACHMENTS:</b>	<b>Report No.</b> 6303
	<b>For Agenda of:</b> June 25, 2019
	<b>Department:</b> Public Works
	<b>Originator:</b> Khee Lim <i>[Signature]</i>
<b>Approved:</b> <i>[Signature]</i>	
Budget Action      Yes: _____ No: <u> X </u> Finance Review: _____	

<b>REPORT TYPE:</b> ACTION <u> X </u> INFORMATIONAL _____
<b>ITEM TYPE:</b> CONSENT <u> X </u> PUBLIC HEARING _____ EXISTING BUSINESS _____ NEW BUSINESS _____

**RECOMMENDATION:**

Staff recommends that the City Council reject, by motion, the two (2) bids received for the Fiscal Year 2018-2019 Water Pollution Control Plant Improvements Project (Project).

**BACKGROUND:**

In early May, 2019, staff published a Notice to Bidders inviting interested construction firms to submit their bids for the Project.

The Project would replace a 6-inch diameter sludge line, repair the roof at the Dewatering Building, and replace the No. 3 Water Piping at the Water Pollution Control Plant.

On June 10, 2019 at 2:00 PM, the City Clerk Office received two (2) bids.

<b>Contractor</b>	<b>Bid Price</b>
Mitchell Engineering	\$782,000
<u>D.W. Nicholson Corporation</u>	<u>\$774,800 (Corrected Bid Amount)</u>
Engineer's Estimate	\$500,000

The low bid from D.W. Nicholson Corporation Inc. in the amount of \$774,800 is approximately 55% higher than Engineer's Estimate of \$500,000.

Staff recommends that the City Council reject the two bids received. Staff will evaluate re-advertisement with longer advertisement period and adding multiple meetings to generate more project interest as well as separating out roof repair work to minimize contractor markups on work requiring subcontractors.

**FISCAL IMPACT:**

None

**COUNCIL ACTION:**

Reject, by motion, the two bids received for the Fiscal Year 2018-2019 Water Pollution Control Plant Improvements Project.