



City of Woodland

REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: January 6, 2009

SUBJECT: Reject All Bids and Authorize the City Clerk to Return All
Bid Securities – City and Harris Parks Irrigation Rehabilitation,
Project No. 07-18

Report in Brief

Bids were opened on October 9, 2008, for the City Park and Harris Park Irrigation Rehabilitation, Project No. 07-18. Unfortunately, due to a revenue shortfall caused by the current economic conditions, the City and Harris Parks Irrigation Rehabilitation, Project No. 07-18 has since been recommended for removal from the 2008/09 Capital Budget. This recommendation will be presented to the City Council as part of the FY 2008-09 Mid-Year capital budget adjustments on January 20. Staff has prepared documents and related information to facilitate the City Council's consideration for the rejection of all bids and the return of bid securities. The Contract Documents require the City Council to reject all bids and return all bidder's bid securities.

Staff recommends the City Council reject all bids for the City and Harris Parks Irrigation Rehabilitation, Project No. 07-18, and authorize City Clerk to return all bid securities.

Background

The voters approved Measure E in June 2006 and the top vote-getter was Parks Projects. The Parks Rehabilitation projects were deemed a top priority in the Parks Capital Program. On July 23, 2007 the State of California issued a formal award notification to the City of Woodland, Parks & Recreation Department, for an amount of \$996,200. The grant program has a matching requirement, which is funded through Measure E sales tax revenues. The grant funds must be expended before the end of 2010.

The City and Harris Parks Irrigation Rehabilitation, Project No. 07-18 includes upgrading obsolete and inefficient manual sprinkler systems at City Park and Harris Park/softball field. The upgrades will make the parks compatible with the future centralized irrigation controller, which will improve water-use efficiency. Upgrades include a new water service connection, and replacing inefficient

pipng, valves, and sprinkler heads with new, efficient hardware. In addition, the existing turf will be eradicated and the soil amended and reseeded or sod placed.

On September 2, 2008, Council approved plans and specifications for the project, and the documents were put out to bid.

Discussion

Plans and specifications were advertised for bids and the bid opening was held on October 9, 2008. However, since the bid opening, the City has been facing a shortage of funds. This shortage is directly related to the downturn of the regional economy fueled primarily by the collapse of the housing market and restrictions in the financial markets. Despite the usefulness and value of the project, staff's recommendation is to reject all bids at this time. Doing so will not preclude the City from re-bidding this project when funds become available in the future; however, this action will create certainty for the bidders on this project who are waiting to hear from the City and, if the recommendation is accepted, will be able to receive all bid securities.

As stated previously herein, the State grant funds received in association with the irrigation rehabilitation projects must be expended by the end of 2010. At this point staff plans to schedule this project for initiation in mid-2010 in order to meet the grant's conditions.

Fiscal Impact

Rejection of the bids has no encumbrance on the general fund or parks capital budget.

Public Contact

Posting of the City Council agenda.

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Recommendation for Action

Staff recommends the City Council reject all bids for the City and Harris Parks Irrigation Rehabilitation, Project No. 07-18, and authorize City Clerk to return all bid securities.

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