



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 23, 2016
FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL
SUBJECT: BID NO. 7351 – TEQUESQUITE LANDFILL GAS FLARE REPLACEMENT PROJECT – REJECT ALL BIDS FOR CONSTRUCTION

ISSUE:

The issue for City Council consideration is to reject all bids and release the related bid bonds received for the construction of the Tequesquite Landfill Gas Flare Replacement Project.

RECOMMENDATION:

That the City Council reject all bids for construction and release the related bid bonds received for Bid No. 7351 – Tequesquite Landfill Gas Flare Replacement Project (Project).

BACKGROUND:

In 2005, the City installed an enclosed bio-gas flare at the Tequesquite Landfill that was permitted by the South Coast Air Quality Management District (AQMD). The landfill was closed in 1985 but still produces bio-gas as a decomposition byproduct of buried organic material. The flare is approximately ten (10) years old and is at the end of its useful life. In February 2013, the City commissioned an engineering consultant, MWH Americas, Inc. (MWH), to address the existing landfill bio-gas handling facility. The report by MWH, recommended to replace the aging flare and compressors with more efficient and lower maintenance equipment.

On October 22, 2015, four (4) bids were received. The lowest responsive bid was from Genesis Construction, dba Hemet Manufacturing, Inc., in the amount of \$560,777, which is 19.56% above the Engineer's estimate of \$469,000 for construction.

The Public Works Department is requesting that all bids be rejected due to the bid amount being significantly higher than the engineer's estimate. Staff will be further evaluating the bid design plans and specifications to revise the project in order to align with the project budget.

The Purchasing Services Manager concurs with the recommendation above.

FISCAL IMPACT:

There is no fiscal impact associated with the rejection of the bids.

Prepared by: Kris Martinez, Public Works Director
Certified as to
availability of funds: Brent A. Mason, Finance Director/Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachment: Bid Rejection Recommendation