TO: Honorable Mayor and City Councilmembers
FROM: David Ott, Interim City Manager
MEETING DATE: January 14, 2015
ORIGINATING DEPT: Engineering Department
SUBJECT: Reject All Construction Bids for the La Colonia Park Veterans’ Honor Courtyard

BACKGROUND:
At the November 28, 2012 City Council meeting, Council authorized Staff to work with a local community volunteer group, led by Teri Renteria, to design a Veterans’ Honor Courtyard at La Colonia Park. Staff determined that the Veterans’ Honor Courtyard could be constructed separately from the overall Park Masterplan, which has been delayed due to lack of funding. The local volunteer group has come together to solicit private funding for the design and construction of the Veterans’ Honor Courtyard.

At the October 23, 2013 City Council meeting, Staff provided an update on the status of the design of the Veterans’ Honor Courtyard and the City Council recognized the initiation of private donations and fundraising activities.

At the August 27, 2014 City Council meeting, Council authorized the City Manager to execute a Professional Services Agreement with Van Dyke Landscape Architects (Van Dyke) for final design and construction support of the La Colonia Park Veterans’ Honor Courtyard. The design team met several times with the community group and incorporated their comments, suggestions and recommendations into bid documents.

In November 2014, the design team prepared final plans and specifications and advertised for comparative bids for the La Colonia Park Veterans’ Honor Courtyard, Bid No. 2014-05. Only two official bids were received; both were substantially higher than available budget. This item is presented to the City Council to reject all bids for the project.

DISCUSSION:
The La Colonia Park Veterans’ Honor Courtyard, Bid No. 2014-05, was advertised for construction bids in November 2014. On December 9, 2014, three bids were submitted.

CITY COUNCIL ACTION:

AGENDA ITEM A.8.
to the City Clerk's Office. However, one bid was received just after the bidding period closed so the bid was not accepted. The two accepted bids are listed in Table 1 below.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid Price</th>
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</thead>
<tbody>
<tr>
<td>Straight Line General Contractors, Inc. (Oceanside)</td>
<td>$441,053.72</td>
</tr>
<tr>
<td>Palm Engineering Construction Company (San Diego)</td>
<td>$631,662.00</td>
</tr>
</tbody>
</table>

As mentioned below in the fiscal analysis, the available funding for construction of the Veterans' Courtyard is approximately half of the lowest accepted bid. Typically, the bidding period for this type of public works construction project is between four to six weeks. For this project, in order to complete construction before Memorial Day in May 2015, the bidding period was shortened to 3-½ weeks which included the Thanksgiving holiday. When this project is rebid, Staff is planning to allow a longer bidding period.

In order to move forward with the project, Staff is working with Van Dyke to perform value engineering on the project to find ways to reduce the cost of the project without substantially affecting the quality or intent of the finished product. Once the value engineering is complete, the revised concept will be presented to community group and Council Ad-Hoc Committee. Comments from those groups will be incorporated into the bid documents which include the final design plans and specifications. The project will then be rebid for the purposes of obtaining competitive construction bids. After new construction bids are received, the project will be presented to the City Council to consider awarding a contract for construction of the Veterans' Courtyard.

**CEQA COMPLIANCE STATEMENT:**
Construction of the La Colonia Veterans' Honor Courtyard is exempt pursuant to Section 15301(a) of the State CEQA Guidelines.

**FISCAL IMPACT:**
The actions of this Staff Report will not have any fiscal impact. The fiscal impact would occur once a construction project has been awarded.

The estimated cost to prepare final design plans and provide construction support services from Van Dyke is $59,600. The Capital Improvement Program portion of the 2014/2015 Adopted Budget appropriated $158,300 for improvements to La Colonia Park. However, this did not include an $80,000 Neighborhood Reinvestment Program grant from the office of Supervisor Dave Roberts and also did not include $80,000 approved by the City Council for the courtyard project. Besides the courtyard project, $55,000 of the appropriated budget has been set aside for improvements to the La Colonia Community Center and tot lot. Finally, the community has been selling donor tiles to partially pay for the project. These tiles will be incorporated into the project and provide information on the military service of the person the tile is honoring. To date, approximately $35,000 in donor tiles has been sold. This money will be combined with
the other funding sources mentioned above. The community also anticipates selling an additional $5,000 in tiles. Since that additional $5,000 has not been secured yet, it is not taken into account in the available funding listed below. All money received from the donor tile program will be spent first, before any General Fund money is spent.

After funding is subtracted for final design of the courtyard and improvements to the community center building and the tot lot, there is approximately $243,700 available for construction of the La Colonia Park Veterans’ Honor Courtyard and perimeter fence along the adjacent apartment building parking lot on the east side of the park. Once new construction bids have been opened and the estimated construction costs have been determined, a final funding plan for the project will be identified.

**WORKPLAN:**
This item is consistent with Community Character Priorities, Item B.2 of the Fiscal Year 2014/2015 Workplan.

**OPTIONS:**
- Approve Staff recommendation.
- Approve Staff recommendation with modifications.
- Provide direction.

**DEPARTMENT RECOMMENDATION:**
Staff recommends the City Council:

1. Adopt Resolution No. 2015-008:
   a. Rejecting all bids for the La Colonia Park Veterans’ Honor Courtyard, Bid No. 2014-05.
   b. Authorizing the Interim City Manager and/or his designee to modify the bid documents as may be necessary and then re-advertise the project for construction bids.

**CITY MANAGER RECOMMENDATION:**
Approve Department Recommendation

David Ott, Interim City Manager

Attachments:
1. Resolution No. 2015-008
RESOLUTION NO. 2015-008

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SOLANA BEACH, CALIFORNIA, REJECTING ALL BIDS
FOR THE LA COLONIA PARK VETERANS’ HONOR
COURTYARD, BID NO. 2014-05, AND AUTHORIZING THE
INTERIM CITY MANAGER OR HIS DESIGNEE TO RE-
ADVERTISE THE PROJECT FOR CONSTRUCTION BIDS

WHEREAS, at the November 28, 2012 City Council meeting, Council authorized
Staff to work with a local community volunteer group to design a Veterans’ Honor
Courtyard at La Colonia Park; and

WHEREAS, at the October 23, 2013 City Council meeting, Staff provided an
update on the status of the design of the Veterans’ Honor Courtyard and recognized the
initiation of private donations and fundraising activities; and

WHEREAS, Staff advertised the project for construction bids in November 2014;
and

WHEREAS, on December 9, 2014, the City Clerk opened the construction bids
and publicly read the bids aloud; and

WHEREAS, the two bids accepted were significantly higher than the available
funding for the project.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does
resolve as follows:

1. That the foregoing recitations are true and correct.

2. That the City Council rejects all bids for the La Colonia Park Veterans’ Honor
Courtyard, Bid No. 2014-05.

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3. That the City Council authorizes the Interim City Manager or his designee to modify the bid documents as may be needed and to re-advertise the project for new construction bids.

PASSED AND ADOPTED this 14th day of January, 2015, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

LESA HEEBNER, Mayor

APPROVED AS TO FORM: ATTEST:

JOHANNA N. CANLAS, City Attorney ANGELA IVEY, City Clerk