

CITY COUNCIL MEMORANDUM

AGENDA ITEM

**REJECTION OF BID NO. 16-21, F.M. 3470 and
BUNNY TRAIL DRAINAGE IMPROVEMENT
PROJECT**

ORIGINATING DEPARTMENT

PUBLIC WORKS - ENGINEERING DIVISION

BACKGROUND INFORMATION

During times of heavy rainfall, the intersection of Stan Schlueter Loop (F.M. 3410) and Bunny Trail becomes inundated with water due to a lack of conveyance infrastructure. In an effort to remedy this issue, City staff advertised for bids for drainage improvements to the F.M. 3470/Bunny Trail intersection with the intent to select a qualified contractor to perform construction improvements.

DISCUSSION/CONCLUSION

On June 27, 2016, one (1) bid was received and read aloud at 3:15 p.m. in the Council Chambers. The bid was received from TTG Utilities, LP. The bid was evaluated and a discrepancy in the base bid was found; the bidder exceeded the 5% maximum allowed for mobilization as specified in the bid proposal. The unit price amount on the bid form was \$12,000, which was corrected to be \$4,539.21. This correction resulted in a total base bid amount of \$90,784.21, plus \$41,607 for the add alternate bid equaling a total project amount of \$132,391.21. The engineer's opinion of probable cost was \$99,021.51 for both the base bid plus the add alternate, which is approximately 34% less than the bid that was received.

The design engineer and Public Works staff have evaluated the bid for conformance with the bid documents and recommend rejecting the bid due to its cost at this time. The general terms and conditions within the bid documents allow the City to reject any and all proposals.

By not proceeding with this drainage improvement project, the intersection of F.M. 3470 and Bunny Trail will continue to be inundated with runoff during heavy rain conditions until such time as the project is ultimately constructed.

FISCAL IMPACT

There is no fiscal impact associated with this action. However, funds for this project were originally budgeted in the amount of \$100,000 in the Drainage Utility Fund Maintenance Roadway Drainage Account 575-3445-434.42-90, which currently has a balance of \$117,443.62.

RECOMMENDATION

City staff recommends that the City Council reject the bid submission from TTG Utilities, LP, for Bid 16-21 for the F.M. 3470 and Bunny Trail Drainage Improvement project.