



CITY OF COMMERCE AGENDA REPORT

Item No. _____

TO: Honorable City Council

FROM: City Manager

SUBJECT: Un-award Construction Contract Agreement to Myers & Sons Hi-Way Safety, Inc.; Reject All Construction Bids; Approve Revised Contract Documents; and Authorize Staff to Advertise for Bids for the Citywide Wayfinding Vehicular Directional Signs Project

MEETING DATE: July 2, 2019

RECOMMENDATION:

- (1) Un-award or rescind the construction contract agreement to Myers & Sons Hi-Way Safety, Inc., and therefore also rescind in its entirety Resolution No. 19-60, which was passed and adopted on June 4, 2019;
- (2) Reject all construction bids;
- (3) Approve the revised contract documents; and
- (4) Authorize staff to advertise for bids for the Citywide Wayfinding Vehicular Directional Signs Project.

BACKGROUND:

The City of Commerce has earmarked a project for citywide wayfinding and brand imaging so as to implement a functional and integrated system that communicates and markets the Commerce brand and guides visitors to easily find their way to intended locations as well as promote the discovery of the City's many points of interest. The Citywide Way-finding Vehicular Directional Signs project consists of forty-six (46) total wayfinding vehicular directional signs to be installed at gateways, major intersections and major roadways.

ANALYSIS:

The City Council awarded a construction contract agreement to Myers & Sons Hi-Way Safety (Hi-Way Safety) during its regularly scheduled meeting on June 4, 2019. However, during the pre-construction meeting, Hi-Way Safety brought to Staff's attention that it erred in computing its bid and inadvertently omitted the labor cost portion of its bid submittal.

The second bidder, Bravo Sign and Design, Inc., submitted a bid totaling \$244,350

during the bid opening on May 23, 2019, and this bid amount is over the budget allotted for this project. Therefore, awarding to the second bidder would be cost-prohibitive. Rather than requesting an additional budget allocation, Staff has deemed that advertising and bidding this project again will elicit more bidders, which will benefit the City in soliciting more bids, and thereby attract more competitive pricing.

Thus, Staff is recommending that the City Council un-award the contract agreement to Hi-Way Safety for the Citywide Wayfinding Vehicular Directional Signs Project by rescinding the approval to award the contract that occurred on June 4, 2019 and also to reject all bids during the bid opening on May 23, 2019.

Staff modified the construction bid documents, which included the plans, bid schedule, and specifications, so that it more appropriately conforms to the scope and budgetary constraints of this project. The revised contract documents are shown as "Attachment."

Staff requests that the City Council approve the revised contract documents dated July 2, 2019 for the Citywide Wayfinding Vehicular Directional Signs Project, and authorize Staff to advertise the Notice Inviting Bids for this project, such that this phase of the project may commence.

Therefore, Staff recommends that the City Council (1) un-award or rescind the construction contract agreement to Myers & Sons Hi-Way Safety, Inc. and therefore also rescind in its entirety Resolution No. 19-60, which was passed and adopted on June 4, 2019; (2) reject all construction bids; (3) approve the revised contract documents; and (4) authorize staff to advertise for bids for the Citywide Wayfinding Vehicular Directional Signs Project.

ALTERNATIVES:

1. Approve staff recommendation; or
2. Disapprove staff recommendation; and/or
3. Provide further direction to staff.

FISCAL IMPACT:

No fiscal impact. Request is being made to un-award or rescind the construction contract agreement to Myers & Sons Hi-Way Safety, Inc.; reject all construction bids; approve the revised contract documents; and authorize staff to advertise for bids for the Citywide Wayfinding Vehicular Directional Signs Project.

RELATIONSHIP TO STRATEGIC GOALS:

This item relates to the City Council's specific 2016 Strategic Action Plan goal to "develop and implement a sustainable CIP Program to ensure the quality of existing infrastructure and support future plans for the City and develop and invest in infrastructure and beautification projects that support economic growth."

ATTACHMENTS:

1. Resolution
2. Contract Construction Bid Documents

Fiscal Impact reviewed by: Vilko Domic, Director of Finance

Approved as to form by: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Manager