



**CITY of THE DALLES**  
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## **AGENDA STAFF REPORT**

### **AGENDA LOCATION:** Contract Review Board #11 B

**MEETING DATE:** January 24, 2022

**TO:** Honorable Mayor and City Council

**FROM:** Dale McCabe, PE, City Engineer

**ISSUE:** Recommendation for rejection of all bids for the Trevitt Street  
Utility Upgrades - Phase I project, Contract No. 2021-011

**BACKGROUND:** The City of The Dalles Public Works Department advertised for bids for the Trevitt Street Utility Upgrades – Phase I project, Contract No. 2021-011. The scope of work for the project was stated as follows: “The work to be performed shall consist of furnishing all materials, labor and equipment necessary to construct approximately 2,205 feet of sanitary sewer pipe ranging from 4” to 10” diameter. Work will also include the removal/abandonment of existing sanitary sewer pipe and the construction of manholes and all other appurtenances. All work will be conducted in accordance with the contract documents.”

The Trevitt Street project is required to replace and upsize deteriorated and failing sanitary sewer mains, improve stormwater collection systems, eliminate some of the existing utility conflicts that have occurred between the sanitary sewer main lines and franchise utility lines, and ultimately reconstruct failing street surfaces and non-ADA-compliant sidewalks. The project is planned to be completed through a number of phases over several years. This Phase 1 project was to consist of replacing and upgrading the sanitary sewer mains located in Trevitt Street between the cross streets of W 9<sup>th</sup> Street and W 12<sup>th</sup> Street. Additional phases will ultimately upgrade and correct the utilities in Trevitt Street up to the W 17<sup>th</sup> Street intersection. Once the utility upgrading projects have been completed, we can then issue a contract to rebuild and resurface the entire roadway segment of Trevitt Street between W 6<sup>th</sup> Street and W 17<sup>th</sup> Street.

Prior to the bid opening, one addendum was issued which increased the amount of 8-inch sanitary sewer pipe that was to be installed as part of the project; that addendum was emailed directly to all potential bidders who had pre-qualified for the project. The bid opening for this contract was held on December 16, 2021 at

2:00 pm for which three bids were received. The bids received were as follows:

1. Crestline Construction, in the amount of \$746,724.00
2. James Dean Construction, in the amount of \$1,118,417.00
3. Beam Construction, in the amount of \$1,315,776.50

The bids were reviewed by City staff to make sure that the proper material was submitted. From that review, it was determined that Crestline Construction failed to acknowledge Addendum #1. The remaining two bids were reviewed and were deemed complete.

In consultation with the City Attorney, it was determined that Crestline Construction's bid was non-responsive since its failure to acknowledge Addendum #1 materially impacted its bid. Per the City's Local Contract Review Board Rules, the City must reject a bid upon the City's finding that the bid is not in substantial compliance with the solicitation pursuant to Rule 04-0420(F).

City Staff then further reviewed the remaining two submitted bids and while they were deemed as responsive bids, it was determined that both bids substantially exceeded the funds that were budgeted and available for this project.

The City may reject all bids for good cause upon the City's written finding that it is in the public interest to do so consistent with Local Contract Review Board Rule 04-0420(4); the required findings may be adopted by resolution. With this report, staff is recommending that the City Council find that it is in the public interest to reject all bids due to insufficient funds for the project based upon the responsive bids received. The attached Resolution No. 22-005, presented for the City Council's consideration, makes the required findings and rejects all bids for Contract No. 2021-011.

If the bids for this contract are rejected, staff plans to re-scope, re-budget and re-bid the project in the future.

**BUDGET IMPLICATIONS:** A total of \$750,000 is budgeted for this project in the Sewer Special Reserve Fund 56, Line Code 7630. The lowest responsive bid received was \$368,417 over the budgeted amount. If all bids for Contract No. 2021-011 are rejected, the budgeted funds will carry-over for reallocation in a future fiscal year.

**COUNCIL ALTERNATIVES:**

1. **Staff Recommendation:** *Move to adopt Resolution No. 22-005 rejecting all bids for Contract No. 2021-011, the Trevitt Street Utility Upgrades Phase I project.*
2. Request that staff provide additional information in response to questions raised by City Council.