



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: SEPTEMBER 10, 2024

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR

THRU: ADRIANA ROBLES, P.E., C.F.M., CITY ENGINEER

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TITLE: REJECTION OF BIDS FOR THE INDUSTRIAL WASTEWATER PUMP STATION IMPROVEMENTS AT AIRPORT BLVD., CIP 9009

RECOMMENDED MOTION:

It is recommended that City Council approve a resolution rejecting all bids for the Industrial Wastewater Pump Station Improvements at Airport Blvd., CIP 9009.

EXECUTIVE SUMMARY:

On July 16, 2024, the City received 3 bids for the Industrial Wastewater Pump Station Improvements at Airport Blvd., CIP 9009. The three bidders are Anderson Pacific Engineering Construction Inc., Monterey Peninsula Engineering, and Mountain Cascade, Inc., with a total Base Bid of \$2,083,185, \$2,328,593, and \$2,474,090, respectively. The engineer's estimate is \$1,394,340, putting the proposals received at 49%, 67%, and 77% higher than anticipated and exceeding available funding. Staff recommends rejecting all bids for the Industrial Wastewater Pump Station Improvements at Airport Blvd., CIP 9009 due to insufficient funding.

BACKGROUND:

The City of Salinas owns and operates an Industrial Wastewater Collection and Conveyance System which takes agricultural process water from 26 users. The system is comprised of a network of piping, an industrial wastewater pump station (IWWPS), and the Industrial Waste Treatment Facility (IWTF). The industrial wastewater pump station is located on Airport Boulevard in southeast Salinas and consists of a wet well and three underground pumps which convey industrial wastewater to the IWTF for processing.

On January 18, 2022, the City Council awarded a design contract to Harris and Associates to conduct a structural evaluation and perform capacity upgrades to the pump station. The industrial wastewater pump station improvements were approved by the City Engineer on June 14, 2024. The project was advertised for bidding on the same date with a bid opening date of July 16, 2024. The City received 3 bids for the Industrial Wastewater Pump Station Improvements at Airport

Blvd., CIP 9009. Bids were opened through Zoom, with the following results (see attached Bid Tabulation Sheet for details):

Rank	Contractor	Total Base Bid
1	Anderson Pacific Engineering Construction Inc.	\$2,083,185.00
2	Monterey Peninsula Engineering	\$2,328,593.00
3	Mountain Cascade, Inc.	\$2,474,090.00

Based on provisions of the Project Specifications, *“The basis of award shall be the lowest total bid, as noted in the Proposal. The City further reserves the right to award or reject the Base Bid or any item(s) within, depending on available funding.”* The lowest bidder is Anderson Pacific Engineering Construction Inc. with a total Base Bid of \$2,083,185. The engineer’s estimate is \$1,394,340, putting the proposals received higher than anticipated.

On June 25, 2024, City Council approved Resolution No. 23030 which reappropriated funds from various CIPs, including CIP 9009, into the CIP 9368 to fund the award of the Industrial Wastewater Treatment Facility Sediment Removal Project, CIP 9368. Although it is anticipated that costs for the Industrial Wastewater Treatment Facility Sediment Removal Project may be reimbursable through FEMA and CalOES, as much of the damage was caused by the 2023 storms, there are currently insufficient funds available in CIP 9009 to award the Industrial Wastewater Pump Station Improvements project. When the reimbursable funds are received, expected to be in December, the Industrial Wastewater Pump Station Improvements at Airport Blvd project will be rebid. If the bids again come in over the Engineer’s estimate, staff will request money be reappropriated from other industrial waste funds to fully fund the project. The four-month delay should not cause problems with the overall Industrial Wastewater Collection and Conveyance System.

The “Notice to Bidders” informed the bidders that the City reserves the right to reject any and all Proposals and waive any irregularities to any Proposals received.

Staff recommends rejecting all bids for the Industrial Wastewater Pump Station Improvements at Airport Blvd. Staff will rebid the project when sufficient funds are available in CIP 9009.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). Section 15300.2 as all exceptions do not relate to the project scope of work for this project.

STRATEGIC PLAN INITIATIVE:

This project, when awarded, will addresses the current City Council’s Goals of “Economic Development”.

DEPARTMENTAL COORDINATION:

Coordination between Public Works and Maintenance Department for identification of scope of work of the project.

FISCAL AND SUSTAINABILITY IMPACT:

This action does not have a fiscal impact.

ATTACHMENTS:

Resolution
Bid Tabulation