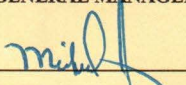
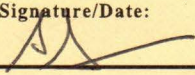
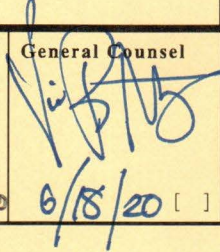
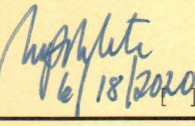
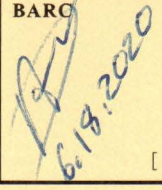




EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:  6/18/2020		GENERAL MANAGER ACTION REQ'D: Reject Bid for 15EK-100		
DATE: 6/16/2020		BOARD INITIATED ITEM: No		
Originator/Prepared by: Steven Sims Dept: Maintenance and Engineering Signature/Date:  6/18/2020	General Counsel  6/18/20 []	Controller/Treasurer  6/18/2020 []	District Secretary []	BARC  6/18/2020 []
Status: Approved		Date Created: 6/16/2020		

Reject Bids for Contract 15EK-100, Traction Power Facility Replacements on the C, M, and K Lines

PURPOSE:

To obtain Board authorization for the General Manager to reject the single Bid for Contract No. 15EK-100, Traction Power Facility Replacements C, M, and K Lines.

DISCUSSION:

This Contract is for installation of Measure RR funded infrastructure renewal program equipment, for District Traction Power facilities on the C, M, and K Lines. One facility is located on the C Line, two on the K Line, and 5 on the M Line. The Contract includes options for 2 additional facilities on the M Line. The contract includes:

1. Removing old existing equipment
2. Furnishing, installing, and testing new equipment at facilities
3. Furnishing and installing some equipment at some associated facilities

The Contract was publicly advertised on September 11, 2019 in three publications. Notice to Bidders for this Contract was emailed on September 16, 2019 to eight prospective bidders. The Office of Civil Rights (OCR) notified approximately 800 firms in performance of their outreach. A Pre-Bid meeting was conducted on October 9, 2019 with representatives from approximately twenty-five firms in attendance. Prior to the Bid opening, the District issued four (4) Addenda for this Contract.

One bid was received from C3M Clark Cupertino A Joint Venture ("C3M Clark Cupertino")

on December 17, 2019. C3M Clark Cupertino's submitted Bid Prices and Engineer's Estimate are shown below:

Item	Name	Base Bid Amount	Total Bid Price (with all Options)
1	C3M Clark Cupertino A Joint Venture	\$ 182,558,586.00	\$ 197,625,144.00
2	Engineer's Estimate	\$ 121,690,775.00	\$ 139,071,754.00

The Base Bid Price, as submitted by C3M Clark Cupertino, of \$182,558,586 is 50% above the Engineer's Estimate of \$121,690,775. The Total Bid Price, which includes the Options, in C3M Clark Cupertino's submitted bid is \$197,625,144 and is 42% above the Engineer's Estimate of \$139,071,754. The Base Bid of \$182,558,586 is significantly over the Engineer's estimate and exceeds the project budget.

Staff conducted a detailed bid evaluation and determined that limited competition was greatest contributor to the high bid. This limited competition was due to:

1. Traction power is a specialty that few electrical contractors are well equipped to do due to the high current and voltage levels, specialty equipment, and work on operating railways;
2. There are active or advertised projects in two dozen localities nationwide and many contractors that are competent to do this work are operating at full capacity; and
3. Subcontractors are so busy that they do not need to compete vigorously for work, and subcontract work scopes are too small to benefit from economies of scale.

Staff recommends the Board reject the single bid. Staff will be re-evaluating the details of the Contract requirements, repackaging, and re-advertising in order to obtain bids more favorable to the District.

FISCAL IMPACT:

There is no fiscal impact as a result of rejecting the single Bid.

ALTERNATIVES:

Award the Contract to the single Bidder, which will involve expenditures beyond the project's budget.

RECOMMENDATION:

It is recommended that the Board adopt the following Motion:

MOTION:

The General Manager is authorized to reject the Bid for Contract No. 15EK-100, Traction Power Facility Replacements C, M, and K Lines.