



Council Agenda Report

From: Ditas Esperanza, Capital Projects Engineer

Subject: Rejection of All Bids, Authorization to Revise the Project Scope and Readvertise for the Flamson Middle School Safe Routes to School Project

CEQA Determination: The City finds that this action is categorically exempt from the California Environmental Quality Act ("CEQA") under the Class 1 exemption, which applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures, facilities, mechanical equipment, or topographical features where the project involves negligible or no expansion of existing or former use (State CEQA Guidelines, § 15301).

Date: May 7, 2024

Facts

1. On [June 2, 2020](#), City Council authorized staff to submit a grant application to the San Luis Obispo Council of Governments (SLOCOG), to install pedestrian and bicycle improvements adjacent to Flamson Middle School.
2. The SLOCOG Board approved a grant in the amount of \$750,000 towards the construction of the pedestrian enhancements.
3. In 2021, City Council adopted the Local Roadway Safety Plan (LRSP). The purpose of the LRSP is to establish the framework and process for identifying, analyzing, and prioritizing roadway safety improvements on the City's streets. The LRSP identifies the top systemic collision patterns and top collision locations throughout the City; provides the City with a toolbox of countermeasures to address the systemic collision patterns; and includes projects to reduce collision at high collision locations.
4. The LRSP included a recommendation to modify the traffic signal at 24th Street and Spring Street. The signal modifications are intended to increase pedestrian, bicycle, and vehicular safety and optimize signal operations. The grant application to SLOCOG did not include the modifications to the traffic signal. However, during the design phase, staff included the signal modifications in the engineering design scope of work.
5. Bid documents were prepared and advertised for bids. At the bid opening on March 21, 2024, six (6) bids were received with an engineer's estimate of \$665,500.

<u>Construction Company</u>	<u>Bid Amount</u>
Souza Construction	\$783,127
DOD Construction	\$786,610
JJ Fisher Construction	\$798,305
RCH Construction	\$889,530
Cen-Cal Construction	\$915,915
G. Sosa Construction	\$977,376

5. The traffic signal modification added an additional \$192,305 to the contract and is not eligible for reimbursement through the SLOCOG grant. There are no available funds for this additional cost. Moreover, removing the traffic signal from the project scope is a significant material modification associated with the overall cost of the project, resulting in the need to reject and re-advertise for bids.

Options

1. Take no action;
2. Reject all bids for the Flamson Middle School Pedestrian Enhancements and authorize staff to revise the project scope and re-advertise for bids; or
3. Provide alternative direction to staff.

Analysis and Conclusions

Construction costs have significantly increased since the SLOCOG grant award. Additionally, the traffic signal modification added an additional \$192,305 to the total bid price, which is not eligible for reimbursement through the SLOCOG grant. There is no funding available for this additional cost and as such, staff recommends removal of the traffic signal modification and limiting the scope of the project to just the pedestrian improvements on 24th Street and Oak Street.

Fiscal Impact

There is no fiscal impact associated with the request to reject, revise, and re-advertise all bids. Once new bids are received, staff will request the City Council to award.

CEQA

The City finds that the action being proposed, to reject all bids for the Flamson Middle School Pedestrian Enhancements, revise the project scope and re-advertise for bids, is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (b)(2)-(3), 15378.)

Recommendation (Option 2)

Approve Resolution 24-XXX - Rejecting all Bids for the Flamson Middle School Pedestrian Enhancements and Authorizing Staff to Revise the Project Scope and Readvertise for bids.

Attachments

1. Resolution 24-XXX – Rejecting Bids for Flamson Middle School Pedestrian Enhancements