

AGENDA ITEM NO. 9:15 AM G

COUNCIL MEETING 06-09-11

APPROVED BY

  
DEPARTMENT DIRECTOR

CITY MANAGER



June 9, 2011

FROM: KENNETH P. HAMM, Director  
Department of Transportation/FAX

SUBJECT: AWARD A CONTRACT TO FORTUNE-RATLIFF IN THE AMOUNT OF \$994,412. FOR  
CONSTRUCTION SERVICES ON THE HANDY RIDE OPERATIONS FACILITY AT 4488 N.  
BLACKSTONE, FRESNO, CALIFORNIA

#### RECOMMENDATIONS

It is recommended that the City Council award a contract to Fortune-Ratliff in the amount of \$994,412.00 to provide construction services for the Handy Ride Operations Facility at 4488 N. Blackstone Avenue and determine that Carvalho Construction is non-responsive to the bid specifications.

#### EXECUTIVE SUMMARY

The City of Fresno Purchasing Division advertised the RFP (Bid File No. 3092) on this project beginning April 29, 2011. Bids were opened on May 26, 2011. Three bids were received. The Engineer's Estimate was \$1,000,000.00 and Fortune-Ratliff of Fresno, CA. was the lowest responsive and responsible bidder at \$994,412.00. The contract price is 1% below the Engineer's estimate. It is recommended that Council authorize the Director of Transportation to enter into an agreement with Fortune-Ratliff to complete the construction of the Handy Ride Operations Facility at 4488 N. Blackstone Avenue.

#### BACKGROUND

Handy Ride operations are currently housed in a leased facility at 1330 E. El Dorado. The Transportation Department leases this facility for \$7,247.16 per month. The facility has grown increasingly inadequate to house the Handy Ride operation. Handy Ride reservationists, schedulers, trainers, administrative staff, and mechanics all work in this location. Fifty-five Handy Ride vehicles are stored at this location. The property was never intended to house an operation of this size or the number of staff and vehicles that Handy Ride employs.

The new property and building at 4488 N. Blackstone Avenue was purchased October 28, 2010, with State of California Prop 1B funds. The property is a former auto dealership with a sizeable shop area, offices, and parking lot. Once completed, this facility will provide for an improved level of performance and create a more professional work environment. This location will also provide considerable savings to the Department's Operating Budget, including: a reduction in vehicle service hours, a reduction in dead-head time, and the elimination of \$86,965.92 in annual lease payments. Other benefits will include washing and fueling on site, a centralized location for ADA certification, one stop for Lost & Found items, and improved operations for Handy Ride administration and staff.

The City's Purchasing Division assisted the Transportation Department with the development of specifications and solicitation for contractor services. The project was advertised beginning April 29, 2011, and specifications were distributed to ten Builder's Exchanges. Thirteen sets of specifications were picked up by potential bidders. Three sealed bid proposals were received and opened in a public bid opening on May 26, 2011. The results are available on the Evaluation of Bid Proposals form (Attachment A).

The low bidder, Carvalho Construction, failed to fill in the bid proposal page completely. Staff posted the Notice of Staff determination and the intent to bypass on June 1, 2011, to award Fortune-Ratliff general Contractors of Fresno, CA as the lowest responsible and responsive bidder with their base bid at \$984,178.00. The Transportation Department is intending to award Alternates 7 and 8 for a total of \$994,412.00. The recommended award is 1%, or approximately \$9,800.00 under the engineer's estimate.

Failure to award the contract to Fortune-Ratliff General Contractors of Fresno, CA would result in a delay of the project for 90 days or more and cause the Transportation Department to incur additional monthly lease payments. Construction costs are also subject to change if the project is rebid.

**FISCAL IMPACT**

There is no fiscal impact to the General Fund. The project is 100% funded by Prop 1B-PTMISEA funds provided through the State of California.

Attachment: Evaluation of Bid Proposals, Bid File No. 3092

FOR: REMODEL FRESNO AREA EXPRESS HANDY RIDE OPERATIONS FACILITY

Bid File No.3092  
Bid Opening: 5/26/11

BIDDER'S	TOTAL NET BID AMOUNT	
1. Carvalho Construction Inc. 22841 Grangeville Blvd. Lemoore, CA. 93245	Base	\$15,000.00
	Base Less Deduct Alternate 4	\$0
	Base Less Deduct Alternate 5	\$0
	Base Less Deduct Alternate 6	\$0
	Base and Add Alternate 7	\$0
	Base and Add Alternate 8	\$0
	(Non-Responsive)	
2. Fortune-Ratliff 352 W. Bedford Ave. Suite 107 Fresno, CA. 93711	Base	\$984,178.00
	Base Less Deduct Alternate 4	\$978,142.00
	Base Less Deduct Alternate 5	\$978,276.00
	Base Less Deduct Alternate 6	\$977,901.00
	Base and Add Alternate 7	\$990,179.00
	Base and Add Alternate 8	\$988,411.00
3. Seals/Biehle, Inc. 9410 W. Placer Avenue Visalia, CA. 93291	Base	\$1,164,000.00
	Base Less Deduct Alternate 4	\$1,161,000.00
	Base Less Deduct Alternate 5	\$1,158,000.00
	Base Less Deduct Alternate 6	\$1,156,000.00
	Base and Add Alternate 7	\$1,172,000.00
	Base and Add Alternate 8	\$1,169,000.00

Note: Apparent low bidder is non-responsive, bidder failed to completely fill in the bid proposal form including, without limitation all dollar amounts and information called for on the bid proposal page 1.3.

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, June 22, 2011, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$ 1,000,000. The contract price is 1 % above/below the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

BACKGROUND OF PROJECT (To be completed by Evaluating Department/ Division. Explain need for project/equipment):

FOR: REMODEL FRESNO AREA EXPRESS HANDY RIDE OPERATIONS FACILITY

Bid File No.3092  
Bid Opening: 5/26/11

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ 994,412.00 \_\_\_\_\_  
to Fortune Ratliff Construction Inc. of Fresno, CA  
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval



Title DIRECTOR OF TRANSPORTATION

Date 5/31/2011

Approve Dept. Recommendation     Approve Finance/Purchasing Recommendation

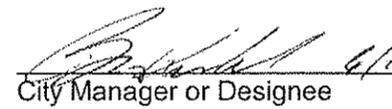
Disapprove     Disapprove

See Attachment

FINANCE DEPARTMENT

CITY MANAGER

 5/31/2011  
Purchasing Manager    Date

 5/31/11  
City Manager or Designee    Date

 5/31/11  
Finance Director/Controller    Date

FISCAL IMPACT STATEMENT

PROGRAM: Handy Ride Operations Facility - Construction Services

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$994,412</u>	<u>\$994,412</u>
Indirect Cost	<u>0</u>	<u>0</u>
TOTAL COST	<u>\$994,412</u>	<u>\$994,412</u>
Additional Revenue or Savings Generated	<u>\$434,825 *</u>	<u>\$86,965</u>
Net City Cost	<u>\$559,587</u>	<u>\$907,447</u>
Amount Budgeted (If none budgeted, identify source)	<u>\$ 0</u>	<u>\$ 0</u>

\*Five Year Savings