



CITY COUNCIL 2024

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August 14, 2024

ATTN: Atif Zahoor

Zara Construction, Inc.
 2343 Donner Pass Ave
 Sacramento, California 95838

Re: Notice of Bid Rejection

Dear Mr. Zahoor,

We appreciate your bid submission on behalf of Zara Construction, Inc. ("Zara Construction") for the Citywide School Traffic Safety Improvements Project (Project No. ST2402, Bid No. 2694). After careful consideration, we regret to inform you that Zara Construction's bid has been rejected.

The City has reviewed and determined that Zara Construction's bid is not responsive to the City's bid specifications. Specifically, the "Designation of Subcontractors" form submitted by Zara Construction did not meet the requirements in the bid specifications to have the prime contractor perform at least fifty-five percent (55%) of the work.

Specifically, on page P-8 of the bid specifications, the subcontractor listing form states that "**not less than fifty-five (55%)** of the contractor work shall be done by the Prime Contractor, also typically referred to as the Bidder". This is an important and material component to the bid specifications. As a part of Zara Construction's bid proposal, the subcontractor listing form listed the sub-contractor, Tri-Valley Striping, as performing 64% of the work (see screenshot below), leaving the Prime Contractor with only **36%** of the work performed. This falls short of the required 55% minimum for the Prime Contractor.

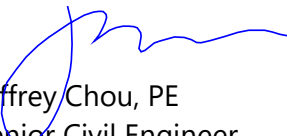
No.	Name of Sub-Contractor	License No. & Exp. Date	Description of Work
	Address of Sub-Contractor	Sub-Contractor DIR No.	% of Work
	Tri-Valley Striping	LIC# 850528	Thermoplastic Striping Pavement marking
	PO Box 617 Knightsen, CA 94548	DIR# 1000000653	64%

As a part of its consideration, the City reviewed Zara Construction's supplemental communication which stated that the 64% insertion was a "typographical error" and should have been "44%" instead. The City also reviewed the supplemental "cost breakdown" document submitted by Tri-Valley Striping in support of Zara Construction's statement. Based on its review, the City has concluded that this supplemental information is not sufficient to demonstrate that the "typographical error" in question is a minor irregularity that can be waived by the City. As Zara Construction's initial bid submittal did not include a subcontractor cost break down by line item, nor is such information listed as a part of the City's specifications, the City cannot ascertain how this cost breakdown information may deviate from the initial bid submittal or its potential impact on the bid price. As such, the City concludes based on the bid submittal that Zara Construction's bid is not responsive for the foregoing reason.

We understand the effort that goes into preparing a bid and appreciate your interest in working with the City of South San Francisco. We encourage you to continue participating in future bidding opportunities with us.

Should you have any questions or require further information, please contact me at 650-829-6668 or jeffrey.chou@ssf.net.

Sincerely,



Jeffrey Chou, PE
Senior Civil Engineer