

January 4, 2006

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
January 10, 2006

**PROJECT NO. CIP 02-626 COMMUNITY CENTER COMPLEX ADA UPGRADES
REJECT ALL BIDS AND AUTHORIZE RE-ADVERTISE FOR BIDS**

Recommendation:

It is recommended that the City Council:

1. Reject all bids for Project No. CIP 02-626 Community Center Complex ADA Upgrades; and
2. Authorize Staff to re-advertise for bids and invite all previous participating bidders to re-bid for the project.

Background:

On December 8, 2005, Staff advertised for bids for CIP Project No. 02-626 Community Center Complex ADA Upgrades. The general scope of work consisted of modification of existing restrooms, access ramps, service counters, office accessibility, etc. Five bids were received and publicly opened on December 22, 2005. The results are below:

BIDDER	BID AMOUNT
1. Torres Construction Corp.	\$318,000
2. Pima Construction	\$329,300
3. Delmac Construction	\$340,000
4. HMD Group, Inc.	\$344,608
5. Cedars Engineering Const.	\$359,000

The bids were reviewed by staff and a representative from the Community Development Commission. The decision to reject all bids was reached based on the non-responsiveness of the three (3) lowest bidders in responding the section of the Notice Inviting Bids which states **"This is a HUD Section 3 contract and all bidders must commit to achieving the Section 3 employment and contracting goals to be considered a Section 3 Responsive Bidder. A bidder who is not responsive to Section 3 requirements shall be a non-responsive bidder to this invitation for bid."**

Analysis:

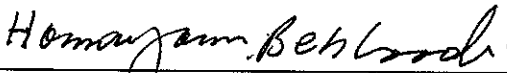
Based on the above irregularity in conjunction with the advice of the Community Development Commission representative, Staff recommends that all bids be rejected and that Staff be authorized to re-advertise for bids. Staff also recommends that Staff be authorized to contact all previous participating bidders and invite them to re-bid on the project. The invitation to re-bid shall also include an emphasis on CDBG requirements including achieving the Section 3 employment and contracting goals by responsive bidders.


Fiscal Impact:


None at this time.

Respectfully submitted,

Concur:


Homayoun Behboodi
Associate Engineer


Richard D. Morgan, P.E.
Director of Public Works/City Engineer


Stephen R. Burrell
City Manager