



## Legislation Text

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MOTION TO AWARD IFB # PSPW-20-17 "CONSTRUCTION OF EQUIPMENT & MACHINERY BUILDING" TO BEJAR CONSTRUCTION, INC., IN THE AMOUNT NOT TO EXCEED \$1,715,479.46, WHICH INCLUDES THE COST TO PROVIDE A PAYMENT AND PERFORMANCE BOND IN THE AMOUNT OF \$32,656.46, AND AN OWNER'S CONTINGENCY IN THE AMOUNT OF \$50,000.

### **PROCUREMENT PROCESS TAKEN:**

- *Chapter 35 of the City's Code of Ordinances is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."*
- *Section 35.15 defines an Invitation for Bid as "A written solicitation for competitive sealed bids with the title, date and hour of the public bid opening designated therein and specifically defining the commodities or services for which bids are sought. The invitation for bid shall be used when the city is capable of specifically defining the scope of work for which a service is required or when the city is capable of establishing 15 precise specifications defining the actual commodities required. The invitation for bid shall include instructions to bidders, plans, drawings and specifications, if any, bid form and other required forms and documents to be submitted with the bid."*
- *Section 35.18 of the City's Code of Ordinances is titled "COMPETITIVE BIDDING OR COMPETITIVE PROPOSALS REQUIRED; EXCEPTIONS."*
- *Section 35.18(A) states, "A purchase of or contracts for commodities or services that is estimated by the Chief Procurement Officer to cost more than \$25,000 shall be based on sealed competitive solicitations as determined by the Chief Procurement Officer, except as specifically provided herein."*
- *Section 35.19 of the City's Code of Ordinances is titled "SEALED COMPETITIVE BIDDING PROCEDURE."*
- *Section 35.19(A) states, "All sealed competitive solicitations as defined in §35.18 shall be presented to the City Commission for their consideration prior to advertisement."*
- *Section 35.19(E) is titled "Bid Opening Procedure"*
- *Section 35.19(E)(5) states, "The city reserves the right to waive any irregularities in the bids, as determined by the Chief Procurement Officer and approved by the City Manager."*
- *Section 35.21 of the City's Code of Ordinances is titled "AWARD OF CONTRACT."*
- *Section 35.21(A) of the City's Code of Ordinances is titled "City Commission approval."*

***- Section 35.21(A)(1) states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal procedures were followed."***

**SUMMARY EXPLANATION AND BACKGROUND:**

1. On August 5, 2020, the City Commission approved the advertisement of IFB # PSPW-20-04 "Construction of Equipment & Machinery Building", which was advertised on August 5, 2020.

2. The purpose of this solicitation was for the construction of an Equipment & Machinery Building

3. On September 22, 2020 the City received three (3) bids from the following vendors:

<b>Vendor</b>	<b>Total</b>
Kalex Construction & Development, Inc.	\$2,343,469.60
Waypoint Contracting, Inc.	\$2,357,430.00
Walker Design & Construction Co	\$3,815,625.00

4. The Public Services Department determined the proposals received were much higher than the estimated cost, and requested to reject all bid and that the bid be re-advertised with a reduced scope of work.

5. On December 2, 2020, the City Commission approved to reject all bids in response to IFB # PSPW-20-04 "Construction of Equipment & Machinery Building", and authorized the advertisement of PSPW-20-17 "Construction of Equipment & Machinery Building", which was advertised on December 8, 2020.

6. On January 12, 2021, the City opened Six (6) bids from the following vendors:

<b>Vendor</b>	<b>Total</b>
Bejar Construction, Inc	\$1,632,823.00
Ahrens Enterprises, Inc DBA Ahrens Companies	\$1,935,416.00
Waypoint Contracting, Inc	\$1,935,416.00
Alen Construction Group, Inc	\$2,160,000.00
Persons Services Corporation	\$2,200,000.00
Walker Design & Construction Co	\$2,644,363.49

7. Bejar Construction, Inc., failed to submit a completed Attachment A with their bid. Attachment A is the Contact Information Form. Bejar Construction, Inc. has since submitted the completed Attachment A, therefore, the Procurement Director is recommending to waive this irregularity, pursuant to section 35.19(E)(5) of the City's Code of Ordinances. The waiving of the irregularity has been approved by the City Manager.

8. In addition, Bejar Construction, Inc, has also completed the Equal Benefits Form and has stated that "the Contractor currently complies with the requirements of this section."

9. Request Commission to award PSPW-20-17 "Construction of Equipment & Machinery Building",

to Bejar Construction, Inc., in the amount not to exceed \$1,715,479.46, which includes the cost to provide a payment and performance bond in the amount of \$32,656.46, and an owner's contingency in the amount of \$50,000.

**FINANCIAL IMPACT DETAIL:**

- a) Initial Cost:** \$1,715,479.46
- b) Amount budgeted for this item in Account No:** \$857,739.73 in account # 471-533-6032-662000-0000-000-0000 (Buildings) and \$857,739.73 in account # 471-535-6021-662000-0000-000-0000 (Buildings)
- c) Source of funding for difference, if not fully budgeted:** Not Applicable.
- d) 5 year projection of the operational cost of the project** Not Applicable.
- e) Detail of additional staff requirements:** Not Applicable.