

RESOLUTION NO. 2017-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
AUTHORIZING THE REJECTION OF BIDS AND AUTHORIZING
ADVERTISING AND RECALL FOR BIDS FOR BUILDING 504, 3220 IMJIN
ROAD TENANT IMPROVEMENT PROJECT

WHEREAS, at the regular meeting of December 20, 2016, City Council adopted Resolution No. 2016-158, authorizing advertising and calling for bids for Building 504, 3220 Imjin Road Tenant Improvement Project; and

WHEREAS, there was only one (1) bid that was considered responsive; and

WHEREAS, the responsive bid was for \$534,000 and with a standard contingency of 20% the total cost of the project could amount to \$640,800 which exceeded the potential tenant's expectation of cost for building improvements; and

WHEREAS, on March 8, 2017, Airport and City staff met with the potential tenant to discuss the bid result and given the building improvement costs, the viability of moving forward with a lease of the building. Based on the discussion, the tenant has revised their design criteria looking to reduce the cost of the building improvements and increasing the viability of moving forward with a lease of the building; and

WHEREAS, the potential tenant has provided their revised design criteria, i.e. the reduced scope of the proposed building improvements. The City now desires to reject the bid(s) received and to rebid the project; and

WHEREAS, there is no fiscal impact to the rejection of bids. The estimated cost to then rebid the project would be under \$1,000 for advertising. Cost for advertising will be recorded to FY 2016-17 Budget, Airport Capital Improvement Project Fund 460, Building 504 Improvements Project 461, Legal Notice/Publications, Account No. 460.000.000.00-6600.460.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Authorize the rejection of bids; and
2. Authorize advertising and recall for bids for Building 504, 3220 Imjin Road Tenant Improvement Project.

PASSED AND ADOPTED, at a regular meeting of the City Council of the City of Marina, duly held on the 18th day of April, 2017, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, O'Connell, Brown, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

April 13, 2017

Item No. **8f(5)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting of
April 18, 2017

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2017,
AUTHORIZING THE REJECTION OF BIDS AND AUTHORIZING
ADVERTISING AND RECALL FOR BIDS FOR BUILDING 504, 3220
IMJIN ROAD TENANT IMPROVEMENT PROJECT**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2017-, authorizing the rejection of bids; and
2. Authorizing advertising and recall for bids for Building 504, 3220 Imjin Road Tenant Improvement Project.

BACKGROUND:

At the regular meeting of December 20, 2016, City Council adopted Resolution No. 2016-158, authorizing advertising and calling for bids for Building 504, 3220 Imjin Road Tenant Improvement Project.

On February 9th 2017, one (1) sealed bid was received, opened and publicly read for the project.

Kent Construction

\$534,000

ANALYSIS:

The potential tenant had expectation that the cost of the tenant improvement project for building improvements would be approximately \$150,000. Based on the potential tenant's initial design criteria, the only responsible bid received was for \$534,000 and with a standard contingency of 20% not to exceed \$106,800 that put the potential building improvements costs at \$640,800.

On March 8, 2017, Airport and City staff met with the potential tenant to discuss the bid result and given the building improvement costs, the viability of moving forward with a lease of the building. Based on the discussion, the tenant has revised their design criteria looking to reduce the cost of the building improvements and increasing the viability of moving forward with a lease of the building.

Now that the potential tenant has provided their revised design criteria, i.e. the reduced scope of the proposed building improvements, the City now desires to reject the bid(s) received and to rebid the project.

FISCAL IMPACT:

There is no fiscal impact to the rejection of bids. The estimated cost to then rebid the project would be under \$1,000 for advertising. Cost for advertising will be recorded to FY 2016-17 Budget, Airport Capital Improvement Project Fund 460, Building 504 Improvements Project 461, Legal Notice/Publications, Account No. 460.000.000.00-6600.460.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Daniel Paolini, CBO
Chief Building Official
City of Marina

REVIEWED/CONCUR:

Fred Aegerter,
Director Community Development Department
City of Marina

Layne P. Long
City Manager
City of Marina