

# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**  
September 2, 2008

**CALL TO PODIUM:**  
Peter Geiling

**RESPONSIBLE STAFF:**

Peter Geiling  
James D. Arnoult

**AGENDA ITEM:**  
(please check one)

<input type="checkbox"/>	Presentation
<input type="checkbox"/>	Proclamation/Certificate
<input type="checkbox"/>	Appointment
<input type="checkbox"/>	Public Hearing
<input type="checkbox"/>	Historic District
<input type="checkbox"/>	Consent Item
<input type="checkbox"/>	Ordinance
<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	Policy Discussion
<input type="checkbox"/>	Work Session Discussion Item
<input type="checkbox"/>	Other:

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Hearing Date	
Record Held Open	
Policy Discussion	

<b>TITLE:</b>
Resolution of the Mayor and City Council Authorizing the City Manager to Reject all Bids for the Olde Towne Youth Center Project and to Negotiate With the Lowest Responsive and Responsible Bidder

<b>SUPPORTING BACKGROUND:</b>
<p><b>Request:</b> This is to request that the Mayor and City Council authorize the City Manager to reject all bids for the Olde Towne Youth Center Project and to negotiate a construction contract with the lowest responsive and responsible bidder for the Olde Towne Youth Center Project.</p> <p><b>Background:</b> The project was bid on June 23, 2008. On August 18, 2008 the City received ten bids. Two bids were initially deemed unresponsive and after further investigation, an additional four bids were deemed unresponsive for not providing required LEED project experience. Of the ten bids received, the six low bids were within 1% of each other with the lowest responsive bid at \$3,131,457 or \$479 per square foot. The spread between the low-low and low-high bids demonstrates a competitive environment and that the bid documents were sound. A copy of the bid tabulation is attached. The last estimate completed in February 2008 anticipated construction costs of approximately \$2.5 million. City staff budgeted slightly over \$2.7 million for construction, representing approximately \$419 per square foot.</p> <p><b>Recommendation:</b> City staff recommends that all bids be rejected because they are nearly 15% above the City's construction budget. City staff further recommends the City Manager be authorized to negotiate a contract with a lower responsive bidder in an effort to reduce proposed construction costs while still being able to obtain LEED Silver certification. If the City Manager cannot come to terms with the lowest bidder, the City Manager would request authorization to negotiate with the next higher responsive bidder. City staff is confident the project can be funded primarily with CDBG funds and a contract awarded. City staff will return to the Council for approval to execute a contract.</p> <p><b>Fiscal Impact:</b> This project is being funded primarily through CDGB funds and the Capital Improvements Projects (CIP) budget.</p>

<b>DESIRED OUTCOME:</b>
Vote on Resolution

**OLDE TOWNE YOUTH CENTER (NEW CONSTRUCTION) PROJECT**

**BID OPENING RESULTS LOG CONTRACT IFB # 2009-003**

**Bids Due: 18 August, 2008, by 3:00pm**

		Keller Bros.	Warner	Micon	System 42, Inc.	HITT	Forrester	Meridian	Milestone	Tuckman-Barbee	North America Telecom
<b>BID ANALYSIS</b>											
Bid submitted on time?		yes	yes	yes	yes	<b>NO</b>	yes	yes	yes	yes	yes
Affidavit signed?		yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Bid Bond attached?		yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
"Blue" forms completed?		yes	yes	<b>NO</b>	yes	yes	yes	yes	yes	yes	yes
Addendum acknowledged?		yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
References provided?		yes	yes	<b>NO</b>	yes	yes	yes	yes	yes	yes	yes
LEED project experience provided?		<b>NO</b>	yes	<b>NO</b>	<b>NO</b>	yes	yes	<b>NO</b>	yes	yes	<b>NO</b>
Bid Package submitted in its entirety?		<b>NO</b>	yes	<b>NO</b>	<b>NO</b>	yes	yes	<b>NO</b>	yes	yes	<b>NO</b>
Bidder Responsive?		<b>NO</b>	yes	<b>NO</b>	<b>NO</b>	<b>NO</b>	yes	<b>NO</b>	yes	yes	<b>NO</b>
<b>BID ITEMS</b>											
1000	General Requirements	\$369,570	\$260,953	\$301,200	\$350,000	\$315,904	\$483,434	\$400,000	\$397,689	\$271,672	\$393,200
2000	Site Work / Excavation	\$248,732	\$235,423	\$230,000	\$220,622	\$242,049	\$352,295	\$300,000	\$202,562	\$289,189	\$329,200
3000	Concrete	\$41,814	\$42,446	\$43,178	\$91,036	\$78,503	\$52,557	-	\$42,705	\$40,421	\$68,100
4000	Masonry	\$58,950	\$58,950	\$60,000	\$78,000	\$63,500	\$58,950	\$80,000	\$68,700	\$66,284	\$81,500
5000	Metals	\$21,565	\$24,665	\$21,565	\$21,200	\$35,631	\$27,665	\$30,000	\$24,665	\$7,300	\$30,500
6000	Wood and Plastics	\$389,026	\$475,214	\$473,000	\$369,733	\$273,573	\$385,181	\$400,000	\$495,660	\$474,576	\$456,900
7000	Thermal and Moisture Protection	\$429,713	\$382,890	\$202,829	\$393,500	\$436,690	\$461,375	\$406,000	\$398,280	\$486,043	\$516,400
8000	Doors and Windows	\$141,168	\$160,837	\$154,732	\$100,333	\$169,510	\$180,200	\$150,000	\$200,546	\$219,647	\$183,800
9000	Finishes	\$98,069	\$124,592	\$122,000	\$161,850	\$124,071	\$123,808	-	\$96,384	\$101,274	\$133,800
10000	Specialties	\$61,670	\$62,968	\$85,000	\$69,730	\$80,679	\$22,592	\$70,800	\$78,970	\$64,306	\$104,600
11000	Equipment	\$1,247	\$1,200	\$2,200	\$9,000	\$1,320	\$1,212	-	\$1,300	\$3,000	\$2,700
12000	Furnishings	\$16,037	\$15,692	\$20,000	\$65,733	\$17,215	\$29,332	-	\$22,242	\$24,082	\$21,300
22000	Plumbing	\$63,200	\$830,000	\$100,000	\$41,000	\$165,750	\$125,000	\$70,000	\$102,000	\$122,000	\$143,900
23000	HVAC	\$722,000	-	\$650,000	\$620,000	\$746,000	\$649,537	\$700,000	\$763,000	\$665,700	\$784,200
26000	Electrical	\$264,215	\$291,715	\$350,000	\$480,000	\$281,000	\$308,191	\$350,000	\$297,000	\$374,500	\$255,100
27000	Communications	\$3,000	-	\$12,824	\$9,000	\$6,000	-	-	-	-	\$27,800
28000	Electronic Safety and Security	\$20,000	-	\$30,000	\$8,000	\$6,000	-	-	\$159,000	-	-
	Alternate #1	\$32,813	\$67,650	\$24,000	\$1,940	\$12,600	\$0	\$47,000	\$24,950	\$48,900	\$86,100
	Alternate #2	(\$76,629)	(\$61,494)	(\$60,000)	(\$49,160)	(\$12,042)	\$0	(\$65,000)	(\$20,000)	(\$47,000)	(\$16,600)
	ALLOWANCES	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,800	\$15,000	\$15,000	\$15,000
	Bonds and Escalation										
	Profit and Overhead:	\$148,249	\$148,912	\$285,853	\$92,812	\$121,736	\$102,000	\$200,000	\$101,117	\$287,614	-
<b>TABULATED TOTAL</b>											
(not including Alternate #1 & 2)		<b>\$3,113,225</b>	<b>\$3,131,457</b>	<b>\$3,159,380.80</b>	<b>\$3,196,549</b>	<b>\$3,180,130.89</b>	<b>\$3,378,329</b>	<b>\$3,172,600</b>	<b>\$3,466,820</b>	<b>\$3,512,608</b>	<b>\$3,548,000</b>
<b>CONTRACTORS BID TOTAL</b>		<b>\$3,113,224</b>	<b>\$3,131,457</b>	<b>\$3,144,380.80</b>	<b>\$3,186,549</b>	<b>\$3,188,859.89</b>	<b>\$3,363,330</b>	<b>\$3,465,000</b>	<b>\$3,471,685</b>	<b>\$3,512,608</b>	<b>\$3,514,600</b>
<b>DIFFERENCE</b>		<b>\$1</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$10,000</b>	<b>-\$8,729</b>	<b>\$14,999</b>	<b>-\$292,400</b>	<b>-\$4,865</b>	<b>\$0</b>	<b>\$33,400</b>
	City Construction Budget	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225	\$2,726,225
	Difference	\$387,000	\$405,232	\$433,156	\$470,324	\$453,906	\$652,104	\$446,375	\$740,595	\$786,383	\$821,775
	Sq. feet	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536	6,536
	Sq. Ft. Costs	\$476	\$479	\$483	\$489	\$487	\$517	\$485	\$530	\$537	\$543
		Keller Bros.	Warner	Micon	System 42, Inc.	HITT	Forrester	Meridian	Milestone	Tuckman-Barbee	North America Telecom
<b>UNIT PRICES</b>											
Item #											
1	cubic yard	15	6.05	25	5	18	4.80	5	7	4	20
2	cubic yard	20	38.50	130	85	138	120	85	100	28	163
3	cubic yard	20	20.35	30	20	46	38.40	50	40	22	23
4	cubic yard	20	29.70	45	38	55	48	40	100	22	48
5	cubic yard	24.75	21.45	45	18	36	30	50	35	27	22
6	cubic yard	20	20.35	30	19	60	33.60	30	35	22	29
7	square yard	36	77	24	36	9	66	45	-	48	10
8	each	121	170.50	110	122	250	102	180	121	133	136
9	each	104	181.50	250	106	200	150	180	104	115	117
10	each	83	49.50	250	84	150	54	200	83	92	93
11	cubic yard	85	32.65	50	43	54	48	60	60	94	48
12	cubic yard	270	297	400	275	384	540	400	300	378	563
13	cubic yard	85	32.90	60	64	54	66	60	60	94	51
14	cubic yard	14.75	10.45	35	11	15	12	25	15	16	13
15	linear feet	20	17.55	30	38	48	24	50	20	22	28

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE MAYOR AND CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO REJECT ALL BIDS  
FOR THE OLDE TOWNE YOUTH CENTER PROJECT AND TO NEGOTIATE  
WITH THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER

WHEREAS, an Invitation For Bid (IFB) for construction services for the Olde Towne Youth Center project was duly advertised in the June 23, 2008 issue of the *Washington Post*, and bids were received on August 18, 2008 from ten companies; and

WHEREAS, following a bid analysis, staff has determined that six of the ten were non-responsive; and

WHEREAS, all bids were substantially above the City's construction budget:

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Gaithersburg, that the City Manager be and he hereby is authorized to reject all bids for the Olde Towne Youth Center project and to negotiate a contract for construction services with the lowest responsive and responsible bidder.

ADOPTED by the Mayor and City Council this 2<sup>nd</sup> day of September, 2008.

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SIDNEY A. KATZ, MAYOR and  
President of the Council

THIS IS TO CERTIFY that the foregoing  
Resolution was adopted by the City Council  
in a public meeting assembled on the 2<sup>nd</sup> day  
of September, 2008.

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James D. Arnoult, Acting City Manager