

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept. City Manager
Subject: PROJECT NO. 7657 - CONSTRUCTION OF BUENA CLINTON YOUTH AND FAMILY CENTER - REJECT ALL BIDS

From: Keith G. Jones
Dept. Public Works
Date: July 8, 2008

OBJECTIVE

To receive City Council approval to reject all bids for the construction of the Buena Clinton Youth and Family Center.

BACKGROUND

On February 28, 2006, the City of Garden Grove City Council authorized the City Manager and City Clerk to enter into a Consultant Agreement with Crane Architectural Group for professional architectural and engineering design and construction support services for a permanent family resource center in the Buena Clinton neighborhood. The site is located at 12661 Sunswept Avenue situated between Clinton Street and Buena Street south of Westminster Avenue. The State grant funding in the amount of \$2. million for the construction of a new two level 6,700 square foot youth and family center that is a long-awaited dream for this challenged community. On May 12, 2008, the City issued an Invitation for Bids for the construction of the Buena Clinton Youth and Family Center. The bids were to be submitted by June 12, 2008.

ANALYSIS

Seven (7) bids were received and opened in the City Clerk's office on June 12, 2008. All of the bids that were received, including the bid from the apparent low bidder, Weeger Bros., Inc., which submitted a total bid of \$ 2,962,148.48, exceed the available budget for the construction of the project. As a result of the bids exceeding the available budget, staff has directed the architect to perform a value engineering assessment to determine whether alternate options to modify existing project requirements to lower the project cost are feasible. This value engineering assessment is anticipated to take approximately six weeks to be completed. In the meantime, due to the uncertainty of the final adjusted cost, it is the opinion of staff and the City Attorney that all bids be rejected and the project be re-advertised once a determination is made regarding the results of the value engineering assessment and the amount of available funding.

FINANCIAL IMPACT

This improvement is included in the Community Services Capital Improvement Budget and is funded through the State General Fund – Public Resource Account Fund 359. The State will reimburse the City's construction costs upon project completion. This project will not utilize any City funds and therefore does not impact the City's General Fund.

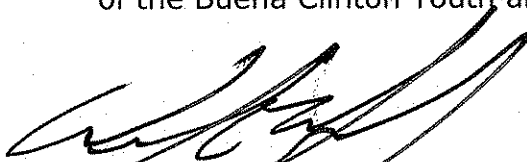
COMMUNITY VISION

This project is consistent with the community vision for ensuring adequate, quality, public recreation facilities to achieve the goals set by the Strategic Plan.

RECOMMENDATION


It is recommended that City Council:

- Reject all bids received from the June 12, 2008 bid opening for the construction of the Buena Clinton Youth and Family Center.



KEITH JONES
Public Works Director

Recommended for Approval



Matthew Fertal
City Manager

DAF de los Reyes
By: Digna de los Reyes
Project Engineer

WHR