

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: April 14, 2009

OBJECTIVE

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

BACKGROUND

The proposed Buena Clinton Youth and Family Center is a new two-level 6,600 square-foot family resource center in the Buena Clinton community in southeast Garden Grove. Specifically, the site is located at 12661 Sunswept Avenue situated between Clinton Street and Buena Street south of Westminster Avenue. Construction of this long-awaited facility is dependent upon \$2.1 million in grant funding from the State.

On May 12, 2008, the City issued an Invitation for Bids for the construction of the Buena Clinton Youth and Family Center. Seven (7) bids were received and opened in the City Clerk's office on June 12, 2008. The low bid of \$ 2,962,148.48 exceeded the available funding. On July 8, 2008, the City Council rejected all bids.

DISCUSSION

Since all bids exceeded the available funding, staff worked with the architect to modify the project to lower the project cost. On November 20, 2008, the City issued a second Invitation for Bids. Twenty (20) bids were received and opened in the City Clerk's office on January 13, 2009. The two low bids submitted were within the \$2.1 million budget. However, after review of the \$1,798,853 low bid from Horizons Construction Co. Int'l Inc., the bid was found to be incomplete and therefore non-responsive. The second low bidder, EMAE International, Inc., was found to be the lowest responsive bidder with a bid of \$1,821,116.

Unfortunately, the project is funded completely by State Grant funds that were frozen in January 2009. As of April 2, 2009 the funding is still frozen. Since it is not known when the State will unfreeze the funding and the bids have been held for more than 90 days, staff recommends that all bids be rejected and the project re-advertised when the State releases funding.

FINANCIAL IMPACT

This project does not impact the City's General Fund. State funding through the 2002 Resource Bond Act Murray-Hayden Urban Parks and Youth Service Program grant is currently frozen due to the State budget crisis.

COMMUNITY VISION IMPLEMENTATION

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 January 13, 2009 bid opening for the construction of the Buena Clinton Youth and Family Center and readvertise the project when the state releases funding.

W. G. Jones
KEITH G. JONES
Public Works Director

FOR K.S.

D. de los Reyes
By: Digna de los Reyes
Assistant Engineer

Recommended for Approval

Matthew Fertal
Matthew Fertal
City Manager