



City of Morgan Hill

Legislation Text

File #: 15-494, Version: 1

CITY COUNCIL STAFF REPORT **MEETING DATE: SEPTEMBER 2, 2015**

PREPARED BY: David Gittleson, Associate Engineer
Pete Gallegos, Battalion Chief/Fire Department
APPROVED BY: City Manager

RESCIND AWARD OF EL TORO FIRE STATION KITCHEN REMODEL PROJECT, REJECT ALL BIDS AND RE-BID PROJECT

RECOMMENDATION(S):

1. Adopt Resolution Rescinding Resolution 15-146 awarding the contract to Santa Clara Valley Construction for the El Toro Fire Station Kitchen Remodel project;
2. Reject all bids and direct staff to re-bid the El Toro Fire Station Kitchen Remodel project.

COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities

Enhancing Public Safety
Fostering a Positive Organizational Culture

REPORT NARRATIVE:

On June 17, 2015, City Council awarded a contract to Santa Clara Valley Construction ("Contractor") for the El Toro Fire Station Kitchen Remodel project in the amount of \$21,633. Only two bids were received and the Contractor was the low bidder. The scope of work includes demolishing the existing kitchen cabinets and countertops, repairing drywall, miscellaneous painting, installing new cabinets, counter tops, sink, backsplash, and electrical outlets and under-cabinet lighting in the El Toro Fire Station.

Following the Council award, staff prepared the construction contract and mailed it to the Contractor. The contract was signed and returned, but no insurance, payment or performance bonds were submitted. Despite repeated requests, the Contractor failed to submit the required insurance and bonds. The Contractor has not returned multiple e-mail and phone message efforts to complete the contract documentation. Due to non-responsiveness, staff recommends rescinding the award of contract to Santa Clara Valley Construction, rejecting all bids, and re-bidding the project. A letter informing the Contractor that the City intends to rescind the Award at this meeting was mailed on August 21, 2015.

It should be noted that the City investigated the option of awarding the contract to the second lowest

bidder, Valenti Builders, but determined there were sufficient errors in their bid so as to find them unresponsive. Therefore, in keeping with the California Public Contract Code Section 20166, staff recommends rejecting all bids and rebidding the project. If the project is re-bid, the construction could commence in October or November 2015.

ALTERNATIVE ACTIONS:

None.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On June 17, 2015, the City Council awarded the contract to Santa Clara Valley Construction for the El Toro Fire Station Kitchen Remodel project in the amount of \$21,633.

FISCAL AND RESOURCE IMPACT:

None.

CEQA (California Environmental Quality Act):

Categorical Exemption

The activities described in this Staff Report are categorically exempt under CEQA, specifically pursuant to Section 15301 of the CEQA Guidelines (Existing Facilities), as the subject work involves the repair, maintenance or minor alteration of existing City facilities involving negligible or no expansion of use of those facilities.

LINKS/ATTACHMENTS:

Resolution Rescinding Resolution No. 15-146