



# **City of Grand Island**

**Tuesday, June 13, 2017**

**Council Session**

## **Item I-2**

**#2017-175 - Consideration of Rejecting All Bids for the Emergency Operations and 911 Center**

**Staff Contact: Jerry Janulewicz**

# **Council Agenda Memo**

**From:** Jerry Janulewicz, City Attorney

**Meeting:** June 13, 2017

**Subject:** Rejection of Bids for Emergency  
Operations/911 Center Building Project

**Presenter(s):** Jerry Janulewicz, City Attorney

## **Background**

The City of Grand Island published on May 17, 2017 a Request for Bids for construction of an Emergency Operations and 911 Center building having an estimated project cost of \$3,400,000. The cost of the project were to be paid utilizing proceeds from the sale of a bond or bonds to be repaid utilizing funds from the City's occupation tax on telecommunications. Five firms submitted bids, which were opened June 1, 2017. The lowest bid received exceeded the estimated project cost by more than 25%.

## **Discussion**

Because of the unanticipated cost of the project as specified in the bid request and associated documents, City Administration is recommending that Council reject all bids received. The department director and city staff propose working with the architect to revise the design, scope and/or specifications to bring the estimated project costs in line with budget targets, allowing the project to be rebid.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the resolution rejecting all bids received on the project.
2. Deny approval of the resolution rejecting all bids and requiring staff to present recommendations for award of a contract from the bids received.

## **Recommendation**

City Administration recommends that the Council approve the resolution rejecting all bids received for the Emergency Operations/911 Center Building Project.

## **Sample Motion**

Move to approve the resolution rejecting all bids received for the Emergency Operations/911 Center Building Project.



Stacy Nonhof, Purchasing Agent

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**BID OPENING**

**BID OPENING DATE:** June 1, 2017 at 2:00 p.m.  
**FOR:** Emergency Operations and 911 Center  
**DEPARTMENT:** Emergency Management  
**ESTIMATE:** \$3,400,000.00  
**FUND/ACCOUNT:** 40000600-2000-60000  
**PUBLICATION DATE:** May 17, 2017  
**NO. POTENTIAL BIDDERS:** 7

**SUMMARY**

<b>Bidder:</b>	<b><u>Lacy Construction Company</u></b> Grand Island, NE	<b><u>B-D Construction, Inc.</u></b> Columbus, NE
<b>Bid Security:</b>	Merchants Bonding Co.	North American Specialty Ins. Co.
<b>Exceptions:</b>	None	None
<b>Bid Price:</b>	\$4,290,000.00	\$4,864,000.00
<b>Alternate:</b>	\$ 77,000.00	\$ 56,000.00
<b>Bidder:</b>	<b><u>Mid Plains Construction Co.</u></b> Grand Island, NE	<b><u>Rogge General Contractors, Inc.</u></b> Lincoln, NE
<b>Bid Security:</b>	Universal Surety Co.	Inland Insurance Co.
<b>Exceptions:</b>	None	None
<b>Bid Price:</b>	\$4,644,000.00	\$4,545,000.00
<b>Alternate:</b>	\$ 80,000.00	\$ 51,500.00

**Bidder:** Chief Industries, Inc.  
**Bid Security:** Grand Island, NE  
**Exceptions:** Fidelity & Deposit Co.  
None  
**Bid Price:** \$4,676,000.00  
**Alternate:** \$ 74,160.00

cc: Jonathan Rosenlund, Emg. Mgt. Director  
Renae Griffiths, Finance Director

Marlan Ferguson, City Administrator  
Stacy Nonhof, Purchasing Agent

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RESOLUTION 2017-175

WHEREAS, the City of Grand Island published on May 17, 2017 a Request for Bids for construction of an Emergency Operations and 911 Center; and

WHEREAS, the architect's estimated project costs was \$3,400,000; and

WHEREAS, whereas five firms submitted bids pursuant to the City's request for bids; and

WHEREAS, the lowest bid received exceeded the architect's estimate by 25%; and

WHEREAS, it is in the best interests of the City of Grand Island that all bids be rejected.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bids opened on June 1, 2017 for construction of an Emergency Operations and 911 Center should be and hereby are rejected for the reason that the bids received exceed the estimated project costs.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 13, 2017.

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Jeremy L. Jensen, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 9, 2017	☐ City Attorney