

July 10, 2017

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Motion to cancel award of Bid No. 17019 to Arizon Companies and to reject all bids to furnish and install a replacement air supported structure (bubble) at the Robinswood Tennis Center.

### **FISCAL IMPACT**

If approved, the City would not enter into a contract for \$440,690.

### **STAFF CONTACTS**

Patrick Foran, Director, 452-5377

Glenn Kost, Planning and Development Manager, 452-5258

Lynde Wallick, Project Manager, 452-2932

*Parks & Community Services Department*

### **POLICY CONSIDERATION**

Bellevue City Code

BCC 4.28 – All decisions to permit the correction or withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistakes, shall be made by the City Council.

### **BACKGROUND**

On May 15, 2017, Council awarded Bid No. 17019 to Arizon Companies to furnish and install a replacement air-supported structure at the Robinswood Tennis Center. During contract review, it was discovered that Arizon did not possess a Washington State Contractor's License when the bid was submitted. In order to be considered a "responsible bidder," RCW 18.27.020 requires that a contractor must be registered with the Washington Department of Labor & Industries prior to submitting a bid. After consulting with Finance staff and the City Attorney's office, it was determined that Arizon cannot be considered a responsible bidder and, thus, cannot be awarded the contract.

### **Recommendation**

After reviewing the options, staff recommends cancelling the bid award, rejecting all bids and re-bidding the project. The next lowest bid is 44 percent higher than Arizon Companies, 60 percent over the engineer's estimate and not believed to represent a reasonable price for the work proposed. Re-bidding this project will allow the project to be designed and permitted this year, with installation in 2018 to coincide with the Tennis Center's program schedule.

### **EFFECTIVE DATE**

If approved, this Motion becomes effective immediately upon Council adoption.

### **OPTIONS**

1. Proceed with entering into a contract with Arizon Companies pursuant to Bid No. 17019. This option violates RCW 18.27.020 and is not recommended.

2. Cancel award of Bid No. 17019 to Arizon Companies and award the contract to the next lowest bidder.
3. Cancel award of Bid No. 17019 to Arizon Companies, reject all bids and re-bid the project.
4. Cancel award of Bid No. 17019 to Arizon Companies, reject all bids and cancel the project.

**RECOMMENDATION**

Option 3

**MOTION**

Move to cancel award of Bid No 17019 to Arizon Companies, reject all bids and re-bid the project.

**ATTACHMENTS**

A. May 15 Agenda Memo

**AVAILABLE IN COUNCIL DOCUMENT LIBRARY**

N/A