



DATE: December 3, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

SUBJECT: **AUTHORIZATION TO REJECT ALL BIDS FOR THE OCEANSIDE MUNICIPAL AIRPORT FENCE PROJECT AND AUTHORIZATION TO RE-BID THE PROJECT**

**SYNOPSIS**

Staff recommends that the City Council reject all bids for the Oceanside Municipal Airport Fence Project (822136900274) and authorize the City Engineer to re-bid the project.

**BACKGROUND**

In August 2009 the City Council approved an Amended and Restated Lease Agreement and an Amended and Restated Operation Agreement (collectively "Agreements") with Airport Property Ventures, LLC ("APV") for the lease and operation of the Oceanside Municipal Airport ("Airport"). The Agreements give APV the opportunity to pursue grants from the Federal Aviation Administration ("FAA") for improvements to the Airport on behalf of the City as the Airport Sponsor.

The City, as the Airport sponsor, submitted an Application for Federal Assistance Packet of Information to the FAA for improvement projects for the Airport. One of the two projects requested in that grant was the Perimeter Fencing Construction Project. In September 2011 and September 2013, the FAA approved the grants of \$236,645 and \$339,619, respectively, for the perimeter fencing project.

**ANALYSIS**

On August 20, 2014, the City Council approved plans and specifications and authorized the City Engineer to call for bids for the Oceanside Municipal Airport Fence Project. A notice inviting sealed bids was advertised in local newspapers, eBidboard, plan rooms and trade journals in accordance with the standard bidding procedures. Ten bids were received and opened on October 16, 2014 (see Exhibit A). Lighting Fence Co., Inc., was announced by City Clerk staff as the apparent lowest bidder.

During the standard bid analysis by staff after the bid opening, a bid protest letter was received on October 20, 2014, from the second apparent lowest bidder, Visionary Construction and Consulting, Inc., contesting the responsiveness of the lowest apparent bidder, Lighting Fence Co., Inc. From the analysis, staff determined that the four lowest bids were unresponsive due to missing signatures, unacceptable subcontractor listings or incomplete documentation; the protest had merit; and addendums issued during the bid advertising were not the direct cause of unresponsive bids. Accepting the first responsive bid (5<sup>th</sup> lowest bidder) would result in a \$62,637 increase in the contract price from the lowest apparent bid which is a 20 percent increase in the award amount.

FAA guidelines require the grantee to comply with the grantee's procurement policy. Staff intends to re-bid the project and move forward with construction. Addendums will be incorporated into the plans and specifications for rebidding. With City Council consent, bids will be opened mid January 2015, and construction is estimated to begin April 2015 and be completed June 2015.

### **FISCAL IMPACT**

There is no fiscal impact due to the rejection of bids and authorization to rebid the project.

### **COMMISSION OR COMMITTEE REPORTS**

Does not apply

### **CITY ATTORNEY'S ANALYSIS**

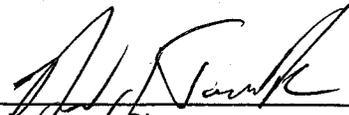
City Council is authorized to reject all bids and re-advertise.

**RECOMMENDATION**

Staff recommends that the City Council reject all bids for the Oceanside Municipal Airport Fence Project (822136900274) and authorize the City Engineer to re-bid the project.

PREPARED BY:

SUBMITTED BY:

*for*   
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Abraham Chen  
Associate Engineer

  
\_\_\_\_\_  
Steven R. Jepsen  
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant City Manager  
Doug Eddow, Real Estate Manager  
Scott O. Smith, City Engineer  
James Riley, Financial Services Director

  
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Attachment:

Exhibit A – Bid Results

EXHIBIT A

<i>Bidder</i>	<i>City</i>	<i>Bid Amount</i>
Lighting Fence Co., Inc.	Poway	\$314,868
Visionary Construction and Consulting, Inc.	Escondido	\$321,775
Pacific Winds Building, Inc.	Irvine	\$349,624
C. W. Doherty Concrete	Oceanside	\$360,268
FenceCorp, Inc.	Riverside	\$377,505
Quality Fence Co, Inc.	Paramount	\$377,616
Wright Construction Engineering Corp.	Carlsbad	\$464,973
U.S. Fence and Gate, Inc.	Lake Charles	\$498,128
Pave-Tech, Inc.	Carlsbad	\$533,966
ICS, Inc.	Fullerton	\$597,000