


CITY OF MIAMI, FLORIDA
INTER-OFFICE MEMORANDUM

TO: Pedro G. Hernandez, P.E.,
City Manager

DATE: July 1, 2009

FILE:

SUBJECT: Rejection of all Bids, North & South
Police Substation Hurricane Upgrades

FROM: Ola A. Aluko, 
Director
Department of Capital Improvements

REFERENCES: ITB 08-09-048

ENCLOSURES: Bid Security List

Recommendation

Based on the staff's determination that the three Bids submitted in response to ITB 08-09-048 are all nonresponsive and the existence of certain errors/inconsistencies within the technical specifications, the Capital Improvements Program recommends that the bids submitted for the North & South Police Substation Hurricane Upgrades projects be rejected and a new solicitation be issued after staff's review and correction of the technical specifications. The background and findings leading to this recommendation follow.

Background

On Friday, June 5, 2009, the City closed the bid period for the North & South Police Substation Hurricane Upgrades projects (ITB 08-09-048) after receiving a total of three (3) bid submissions for both projects. Staff's initial review of the three bid submissions revealed various issues concerning each bid's responsiveness to the solicitation documents. Staff's subsequent detailed review of the three submissions confirmed that each of the bids submitted contain deficiencies, errors, omissions and/or inconsistencies which make each of them nonresponsive to the solicitation documents.

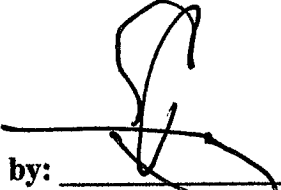
Findings

1st Bidder – The 1st and lowest Bidder submitted just one (1) of the five (5) reference letters for projects of similar size, scope and complexity as stated in the Minimum Requirements. In addition, the 1st bid is approximately \$132,000 lower than the project cost estimate provided by the City's consultants responsible for the Project specifications. Further review revealed that this bid is based on the use of hurricane upgrade materials and components different from those required by the project specifications. Of equal concern is the fact that the bid are not balanced bids. Bidders were required to bid on both projects. The bidder bid almost four times the estimated cost for the smaller project, while bidding only one third the estimated cost for the larger, more complicated project. Given that these projects are funded with federal dollars, the unbalanced bids would preclude the City from using all of the federal funds, resulting in the City having to absorb some of the cost of the project.


2nd Bidder – The 2nd Bidder failed to include any of the five (5) reference letters for projects of similar size, scope and complexity as mandated by the Minimum Requirements. In addition, the 2nd Bidder has bid over seven times the estimated cost for the smaller project, while bidding just one tenth the estimated cost for the larger, more complicated project. It appears that the 2nd Bidder may have mistakenly reversed the bid component amounts. However, this is a bid mistake that cannot be corrected.

3rd Bidder – The 3rd, and highest Bidder failed to include any of the five (5) reference letters for projects of similar size, scope and complexity as mandated by the Minimum Requirements. This Bidder has also not provided any information on their experience installing hurricane shutters. In addition, their bid exceeds the project cost estimates by approximately \$48,000. As with the 1st Bidder, their bid is based on the use of hurricane upgrade materials and components different from those required by the project specifications.

Project Specifications – In addition to the above, during our review of the submitted bid submissions, staff discovered certain errors/inconsistencies within the technical specifications, which may have contributed to confusion among the bidders.

Approved by: 
Pedro G. Hernandez, P.E.
City Manager

Date: 7/6/09

cc:  Gary Fabrikant, Assistant Director, CIP
David Mendez, Assistant Director, CIP
Fernando Paiva, Architect II, CIP
Anthony Rolle, Project Manager, CIP

