City of FRESNO **REPORT TO THE CITY COUNCIL**

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| AGENDA ITEM NO. | 1B |
| COUNCIL MEETING | 6/3/2008 |
| APPROVED BY | |
| DEPARTMENT DIRECTOR | K Nerland |
| CITY MANAGER | |

June 3, 2008

**FROM:** KENNETH A. NERLAND, Director
General Services Department

**BY:** GERALD S. TODD, Manager
GSD/Administration Division

**SUBJECT:** REJECT ALL BIDS TO FURNISH AND INSTALL ICE FLOOR COVER FOR SELLAND ARENA (BID FILE 2830)

**KEY RESULT AREA**

Resource Management

**RECOMMENDATION**

Staff recommends the City Council reject all bids to furnish and install an ice floor cover for Selland Arena.

**EXECUTIVE SUMMARY**

As part of the Falcon's 20 year lease agreement to return to Selland Arena certain improvements will be required to bring the facility up to the expected level of amenities. The planned improvements include a new ice floor and associated equipment which includes a new ice floor cover. The ice floor cover is an insulated material placed on top of the ice which allows the Arena floor to be used for other non-ice related events.

Following analysis of all submitted bids, staff recommends that bids received be rejected. During the evaluation process it was determined that the specifications language regarding the installation of the ice cover was ambiguous and led to different interpretations by bidders as to whether the installation pricing should be included in the base bid or as an add alternate item. Two bidders included the installation price as an add alternate item and the other bidder included their installation price within the base bid.

Since the award was to be based on the Base Bid only staff recommends the rejection of all bids. The specifications will be revised to require inclusion of add alternate items within the base bid and rebid.

**KEY OBJECTIVE BALANCE**

Phase III improvements to the Selland Arena, of which the ice floor cover is an element, balance all Key Objectives of Customer Satisfaction, Employee Satisfaction and Financial Management by further enhancing and upgrading Selland Arena to meet the needs of the Falcons hockey team and providing fans with a premium entertainment venue further enhancing the Arena's marketability and revenue generating capabilities.

## BACKGROUND

As part of the Falcon's 20 year lease agreement to return to Selland Arena certain improvements will be required to bring the facility up to the expected level of amenities. The planned improvements include a new ice floor and associated equipment which includes a new ice floor cover. The ice floor cover is an insulated material placed on top of the ice which allows the Arena floor to be used for other non-ice related events.

Specifications were prepared to furnish and install an ice floor cover for the Arena. A Notice Inviting Bids was published in the Business Journal on April 16, 2008, and was also posted on the City's web site. Notification was sent to fifty-nine contractors throughout the country via the City's online bidding service. The specifications were distributed to seven prospective bidders. Three sealed bid proposals were received and opened in a public bid opening on May 6, 2008. The three bids were received from Athletica of Minneapolis, MN; Becker Arena Products, Inc of Savage, MN; and Robbins Sport Floors – CA, Inc. of Sacramento, CA.

During the evaluation process it was determined that the specifications language regarding the installation of the ice cover was ambiguous and led to different interpretations by bidders whether the installation pricing should be included in the base bid or as an add alternate item. Two bidders included the installation price as an add alternate item and the other bidder included their installation price within the base bid.

Since the award was to be based on the Base Bid only staff recommends the rejection of all bids. The specifications will be revised to require inclusion of add alternate items within the base bid and rebid.

## FISCAL IMPACT

Funds have been appropriated for Phase III improvements to the Selland Arena which includes the ice cover. Council previously adopted the 44th amendment to the Annual Appropriation Resolution and corresponding reimbursement resolution on November 6, 2007. The Finance Department has indicated that they expect to bring the supporting bond issuance forward for Council approval no later than the end of July, 2008. Bonds would then be issued in early Fall 2008.

Attachment: Evaluation of Bid Proposals

# EVALUATION OF BID PROPOSALS

FOR: FURNISH AND INSTALL ICE COVER (RE-BID)

Bid File No. 2830
Bid Opening: May 6, 2008

| BIDDER'S | | $ |
|---|---|---|
| 1. Athletica<br>15300 25th Avenue North Suite 600<br>Minneapolis MN 55447 | Base<br>Add Alternate<br>Base plus Add Alternate | $127,833.00<br>$23,616.04<br>$151,449.04 |
| 2. Becker Arena Products, Inc.<br>6611 West Highway 13<br>Savage MN 55378 | Base<br>Add Alternate<br>Base plus Add Alternate | $129,800.00<br>$33,960.00<br>$163,760.00 |
| 3. Robbins Sport Floors- CA, Inc.<br>198 Opportunity St, Ste 3<br>Sacramento CA 95838 | Base<br>Add Alternate<br>Base plus Add Alternate | $143,475.00<br>$8,605.00<br>$152,080.00 |

Each bidder has agreed to allow the City ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, June 4, 2008, 5:00 P.M.

The Budget Allocation for this expenditure is $ 155,000. The contract price is 1.9% below the Budget Allocation.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment):

As part of the Falcon's 20 year lease agreement to return to Selland Arena certain improvements will be required to bring the facility up to the expected level of amenities. The planned improvements include a new ice floor and associated equipment which includes a new ice floor cover. The ice floor cover is an insulated material placed on top of the ice which allows the Arena floor to be used for other non-ice related events.

# EVALUATION OF BID PROPOSALS

FOR: FURNISH AND INSTALL ICE COVER (RE-BID)

Bid File No. 2830
Bid Opening: May 6, 2008

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

[ ]

Remarks:

[ X ] Reject all bids. Reason: During the evaluation process it was determined that the specifications regarding the installation of the ice cover language was ambiguous and led to different interpretations by bidders whether the installation pricing should be included in the base bid or an add alternate item. Two bidders included their installation price in an add alternate item and the other bidder included their installation price in the base bid.

Since the award was to be based on the Base Bid only staff recommends the rejection of all bids. The specifications will be revised deleting the add alternate items and include all add alternate items in the base bid.

Department Head Approval

5/21/08

Title Management Analyst III

Date

[X] Approve Dept. Recommendation

[ ] Disapprove

[ ] See Attachment

[ ] Approve GSD/Purchasing Recommendation

[ ] Disapprove

GENERAL SERVICES DEPARTMENT

5/21/08

Purchasing Manager Date

5/21/08

Director Date

CITY MANAGER

City Manager or Designee Date