

PORT OF SEATTLE
MEMORANDUM

COMMISSION AGENDA

Item No. 5g

Date of Meeting April 14, 2009

DATE: April 8, 2009

TO: Tay Yoshitani, Chief Executive Officer

FROM: Ralph Graves Managing Director, Capital Development

SUBJECT: Request Port of Seattle Commission authorize the CEO to cancel the procurement, reject all bids and issue a new small works procurement action for the construction of Gate S-5 Loading Bridge.

BACKGROUND

On March 10, 2009, Central Procurement Office (CPO) issued roster notification to all contractors on the small works roster. Sealed bids were received and opened on March 24, 2009 with the following results:

<u>Contractors</u>	<u>Bid</u>
Engineer's Estimate	\$135,000.00
Airport Mechanical Services Inc.	\$69,950.00
McClure and Sons Inc.	\$110,384.00

For public works contracts, the Port awards a contract to the lowest priced responsive bid from a responsible bidder.

The bid from Airport Mechanical Services Inc. (AMS) was non-responsive because the bidder failed to include a signed affidavit and certificate of compliance with Port of Seattle Affirmative Action Resolution No. 3166. Resolution No. 3166 requires bidders to submit this document with its bid and failure to do so renders the bid nonresponsive. Accordingly, the Port cannot waive this requirement and the bid was rejected.

The invitation to bid (ITB) contained qualification requirements. Failure to meet those requirements results in the bidder being determined not responsible and rejection of the bid. McClure and Sons (M&S) submitted documentation responding to the qualification requirements. The Port reviewed the documentation and determined that M&S did not meet the requirement that its "supervisory personnel have at least five years successful experience with the installation of similar scopes of Loading Bridges and associated equipment within the last five years." The supervisor proposed by M&S does not have any experience with loading bridges during the last five years. When asked about this requirement, M&S indicated that they do not meet the requirement but that their personnel are more than qualified to perform the work.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

April 9, 2009

Page 2 of 3

M&S followed up the response indicating that during the walk-thru the subject was brought up and M&S believes the Port was fine with M&S bidding the project.

State law allows a bidder to request the qualification requirements be changed prior to bid opening. The Port has an affirmative responsibility to respond to the request and either change or affirm the criteria. Any such change is required to be documented in an addendum. The Port during the prebid conference indicated verbally that a conveyance system would be considered a similar scope to a loading bridge. The Port did not document this via addendum.

Based on review of the qualification requirements, the Port has determined the evaluation criteria were unduly restrictive and should be revised to establish appropriate responsibility criteria. A few additional changes have been identified that will be made to the specifications. The Port is requesting authority to cancel the procurement and issue new ITB with appropriate responsibility criteria.

Changes will be made to the specification and a new ITB will be re-advertised once we cancel the first procurement, which we can do by rejecting all bids. According to Washington State law and Resolution 3605, Section 4.2.3.4, rejecting all bids requires Commission authorization. We need to do this quickly because the loading bridge is needed to be in service by mid-May.

On April 2, 2009, CPO conducted training on drafting qualification requirements and the legal requirements concerning responsibility determinations. All CPO construction staff was required to attend this training. Future training will be offered to project management staff later this year.

PREVIOUS COMMISSION ACTION/REVIEW

On July 24, 2007 and October 14, 2008, the Commission authorized \$2,420,000 and \$1,917,000 to purchase and replace passenger loading bridges and associated equipment at Seattle-Tacoma International Airport.

PROJECT SCHEDULE

The project will be re-advertised so that construction can be completed by mid-May 2009, the date required by airline need.

ALTERNATIVES

1. Do Nothing. If the Commission does not authorize cancellation of the procurement, a new one cannot proceed and the Port will not be able to install the loading bridge at Gate S-5.

COMMISSION AGENDA

Tay Yoshitani, Chief Executive Officer

April 9, 2009

Page 3 of 3

2. Authorize CEO to cancel the procurement. The Port has revised the qualification information, ITB, and will issue roster notifications on April 9. The Port will not open bids until the Commission authorizes the CEO to cancel the procurement. With this alternative, CPO will open bids on or around April 16 for the follow-on procurement and, provided that we receive responsive bids from responsible contractors, the loading bridge should be installed and operational by mid-May.