

May 9, 2019

TO: Tony Constantouros

General Manager

Kensington Police Protection Community Service District

Public Safety Building 217 Arlington Avenue Kensington, CA 94707-1401

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RE: PROJECT STATUS REPORT - UPDATE 05/09/19

Seismic Upgrades and Building Alterations, Kensington Community Center

This memo is forwarded to provide an update of the status of the Kensington Community Center Project through the award and notification process.

At its April 11, 2019 meeting, the KPPCSD Board awarded the project construction contract to to the low bidder, Eagle Builders.

The Board also approved the following five Bid Alternates of the nine provided in the bids, all additive:

Bid Alt. I (New flooring at Meeting Hall): \$13,000

Bid Alt. 2 (New flooring at Meeting Room 3): \$13,500

Bid Alt. 3 (New partial-height cabinet work at west wall of Meeting Hall): \$52,000

Bid Alt. 4 (Integrate existing A.V. system into new cabinet work at west wall of Meeting Hall): \$6,500

Bid Alt. 8 (New acoustical ceiling tile at Meeting Hall): \$28,000

The above combined Basic Scope and Bid Alternates bid totaled \$1,594,200.

The terms of the Invitation for Bids require the contractor to return a signed copy of the Contract form, included with Invitation for Bids, within ten calendar days. In the course of the weeks following the award, there was no acknowledgement of the award from Eagle Builders and attempts to reach them were unsuccessful. In the course of investigating the lack of response, we learned from a listed subcontractor that Eagle Builders has gone out of business. We have not been able to confirm their business status, but have continued to try to contact them. At direction of Counsel, on May 1, 2019 we forwarded a letter to the listed business address, the address of legal service, and the contractor's surety, putting Eagle Builders on notice that they must provide the signed contract or forfeit the bid bond. As of today, May 9, USPS tracking shows that one of the two letters to Eagle was delivered May 2, 2019. Both of the other two letters have been forwarded to different addresses by USPS and have not yet, apparently, been delivered.

## Bid Award - Next Steps

Assuming that we do not receive any further word from Eagle Builders, Counsel can advise the Board on the appropriate date to move to award the project to the second low bidder. Given the USPS tracking records, that should be, at the latest, ten days after the delivery date of May 2, 2019.

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The remaining eligible bidders:

Second Low Bid: KCK Builders, \$ 1,531,400 Third Low Bid: EVRA Construction, \$ 1,794,000

As a matter of information, we checked again the status of the contractor's licenses for the potential contractors. All three, including Eagle, are active.

Second low bidder KCK's bid is \$50,200 higher than Eagle's. KCK's bids for the bid alternates previously approved by the Board also vary from Eagle's:

Bid Alt. I - New flooring at Meeting Hall: \$30,000 (Eagle at \$13,000)

Bid Alt. 2 - New flooring at Meeting Room 3: \$9,000 (Eagle at \$13,500)

Bid Alt. 3 - New partial-height cabinet work at west wall of Meeting Hall: \$58,000 (Eagle at \$52,000)

Bid Alt. 4 - Integrate existing A.V. system into new cabinet work at west wall of Meeting Hall: \$9,000 (Eagle at \$6,500)

Bid Alt. 8 - New acoustical ceiling tile at Meeting Hall: \$32,000 (Eagle at \$28,000)

Accepting the KCK bid and the alternates previously approved by the Board from Eagle's bid would put the project total at \$1,669,400, an increase of \$75,200 over the previous total of \$1,594,200. This difference should be more than offset by the payment of the Eagle Builder's bid bond, \$148,120 (10% of their bid price). It should be noted, however, that it may take some time to receive the bid bond payment.

I trust the above provides you and the Board with the information necessary to consider the move to the second low bidder. Please let me know if you have any questions regarding the above.

Very truly yours, GLASS ASSOCIATES, INC.

William R. Glass, FAIA

Principal

CC: Sylvia Hacaj, Kensington Police Protection & Community Services District
Ann R. Danforth. General Counsel, Kensington Police Protection & Community Services District