



PUBLIC HEARING AGENDA ITEM

DATE OF PUBLIC HEARING: July 11, 2017
SUBJECT: 2017 Video Inspection and Maintenance of Stormwater Infrastructure Protest
FROM: Raymond H. Gonzales, Interim County Manager Patti Duncan, Interim Deputy County Manager Benjamin Dahlman, Finance Director Kim Roland, Procurement and Contracts Manager
AGENCY/DEPARTMENT: Transportation Department
HEARD AT STUDY SESSION ON
AUTHORIZATION TO MOVE FORWARD: <input type="checkbox"/> YES <input type="checkbox"/> NO
RECOMMENDED ACTION: That the Board of County Commissioners rejects a vendor protest for the 2017 Video Inspection and Maintenance of Stormwater Infrastructure Project

BACKGROUND:

A formal invitation for bid (IFB) was published on Bidnet (Rocky Mountain E-Purchasing) on April 10, 2017. Bids were due on April 26, 2017 at 3:00 pm. The County received two bids which were opened publically by Purchasing. The two bids received were from the following firms:

- Industrial Pipe Solutions (IPS) at \$794,770.55
- Hoffman Southwest at \$723,018.26

IPS submitted a Bid Bond with their Bid.

Hoffman Southwest did not submit a Bid Bond with their Bid.

When Purchasing's Contract Specialist who was assigned to the project reviewed the bids the next day, she contacted Hoffman to advise them they didn't provide the bid bond. She spoke with an administrative staff member. That afternoon a bid bond was submitted to Purchasing by Hoffman, even though the Contract Specialist did not request one.

Hoffman Southwest's bid was originally rejected and listed as non-responsive because of the missing bid bond.

After further discussion with Hoffman Southwest, it was brought to light that even though the bid bond requirement was stated on the Rocky Mountain E-purchasing webpage (Bidnet), the requirement was not included in the actual IFB document the County uses in the purchasing process. It is the IFB document, and any Addenda, that would supersede the Bidnet webpage noted in summary.

Upon researching the discrepancy, the County's Procurement and Contracts Manager decided to accept Hoffman Southwest's bid, along with the bid bond they had provided. The reasoning behind the decision was it would be more reasonable to expect a supplier to review the actual bid document for the County's bid requirements rather than use the Bidnet webpage where the information was summarily presented.

After review by the County's assigned Engineer, it was determined that Hoffman Southwest met all requirements for the specifications in their bid. The bid award to Hoffman Southwest was presented at Public Hearing on June 20, 2017.

That afternoon, a formal Bid Protest was received from IPS, objecting to the award based on the Bid Bond not being received on the due date by Hoffman Southwest.

Per Purchasing Policy 1075 titled Vendor Protests, the policy requires that the County assemble a Protest Review Committee to review the protest. The group that convened was:

Kim Roland, Procurement and Contracts Manager
Jeff Maxwell, Director of Public Works
Doug Edelstein, Deputy County Attorney
Ben Dahlman, Finance Director
Kim Higgins, Internal Auditor
Patti Duncan, Interim Deputy County Manager
Bryan Ostler, Interim Deputy County Manager

After a thorough review of the protest, the Committee's considered the following:

- Both bidders did what was asked, depending on which source they referenced.
- The County's IFB should be considered the authoritative document, not the summary information on the Bidnet webpage.
- Even though the bid bond requirement was posted on the webpage, it would be unfair to expect new bidders to go back to the site to obtain information that should have been in the bid document.
- The bid bond would not materially affect the bid price.
- The IFB process (as stated in the IFB document) does allow for the County to waive any irregularities and the right to accept or reject any and all bids, including but not limited to any bid which does not meet bonding requirements.

The Committee is recommending that the IPS vendor protest be rejected and that the County proceed with the awarded vendor.

AGENCIES, DEPARTMENTS OR OTHER OFFICES INVOLVED:

Transportation Department

ATTACHED DOCUMENTS:

Resolution

FISCAL IMPACT:

Please check if there is no fiscal impact ☒. If there is fiscal impact, please fully complete the section below.

Fund:
Cost Center:

	Object Account	Subledger	Amount
Current Budgeted Revenue:			
Additional Revenue not included in Current Budget:			
Total Revenues:			

	Object Account	Subledger	Amount
Current Budgeted Operating Expenditure:			
Add'l Operating Expenditure not included in Current Budget:			
Current Budgeted Capital Expenditure:			
Add'l Capital Expenditure not included in Current Budget:			
Total Expenditures:			

New FTEs requested: ☐ YES ☐ NO

Future Amendment Needed: ☐ YES ☐ NO

Additional Note: