



May 5, 2016

RE: Multisite Roofing 2016 - Rejection of All Bids

Dear Contractor's Submitting Bids for the Multisite Roofing 2016 Project,

On April 28, 2016 at 3:00 P.M., your firms submitted Bids for roofing work at Kelly Middle School and Willard Elementary. The Bids submitted for the Multisite Roofing 2016 came in much higher than we expected. Pursuant to ORS279C.395, a contracting agency may reject all bids upon a finding of the contracting agency that it is in the public interest to do so. The purpose of this memo is to provide the required findings that will allow us to reject the bids. We will re-bid the project for construction next year.

Referenced Statute and Model Rule

According to the Attorney General Public Contracting Manual, Public Contracting Code, paragraph 279C.395:

ORS 279C.395 Rejection of Bids. A contracting agency may reject any bid not in compliance with all prescribed public bidding procedures and requirements, and may, for good cause, reject all bids upon a finding of the contracting agency it is in the public interest to do so. In any case where competitive bids are required and all bids are rejected, and the proposed project is not abandoned, new bids may be called for as in the first instance.

Under Model Public Contracting Rules, OAR 137-049-0440 :

OAR 137-049-0440 Rejection of Offers:

(5) Rejection of all offers. A Contracting Agency may reject all Offers for good cause upon the Contracting Agency's Written finding it is in the public interest to do so. The Contracting Agency shall notify all Offerors of the rejection of all Offers, along with good cause justification and finding.

(6) Criteria for Rejection of All Offers. The Contracting Agency may reject all Offers upon a Written finding that:

(a) ...

(b) The price, quality or performance presented by the Offerors is too costly or of insufficient quality to justify acceptance of the Offer.

(c) ...

(d) ...

(e) ...

(f) ...

Written Findings:

The construction estimate, which is based on take-offs from similar roofing projects averaged over the past few years and marked up for inflation for all the Bid packages plus the Alternate prior to Bid time is \$290,000. The lowest Bid for all the work is \$412,000.

Whereas the bids submitted for this year's re-roofing work are about 42% higher than estimated, and;

Whereas current revenue is inadequate to fund the additional cost of the bids and still insure funding for the other projects scheduled for this year, and;

Whereas the District will sell about \$2.5 million worth of 2011 bonds this year, but that revenue is already designated for work on other projects, and;

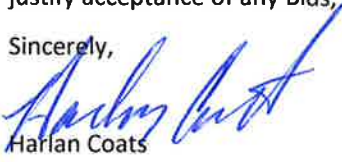
Whereas to sell more than \$2.5M of 2011 bonds would require the District to sell interest-deferred bonds (which are a poor deal for the taxpayers), and;

The work of the bids being rejected can be deferred for another year.

Conclusion:

In conclusion, pursuant to ORS 279C.395 and OAR 137-049-0440, the District finds that the Bids are too costly to justify acceptance of any Bids, and that in the public interest all Bids are rejected.

Sincerely,



Harlan Coats

Director, Facilities Management and Transportation Services

HC:dp