

TOWNSHIP OF LOWER MERION
Finance Committee
Issue Briefing

Topic: Rejection of Bids – Township Administration Building Roof Top Unit

Prepared By: Eric Traub, Chief Financial Officer

Date: April 12, 2019

I. Action To Be Considered By The Board:

Rejection of all bids for Township Administration Building Roof Top Unit HVAC and General Contractor received on Thursday, March 26, 2019 at 11:00 A.M.

II. Why This Issue Requires Board Consideration:

The Board of Commissioners must approve or reject public bids received within sixty days of the bid opening.

III. Current Policy Or Practice (If Applicable): N/A.

IV. Other Relevant Background Information:

On March 26th the Township received bids related to the replacement of a Roof Top Unit for the Township Administration Building. There were separate bids for HVAC contractor and General contractor in accordance with Pennsylvania statute that requires separate bids for public construction. The total bid price for both contracts was \$381,276 which was \$81,276 or 27% more than the construction budget of \$300,000. After conferring with the Township Engineer, Township staff felt the bid prices were much higher due to the vendors perception that the Township had a strong preference for a specific type of roof top unit. Township staff believe that rebidding these two contracts with minor changes to the specification and improved communication to the vendor community will result in more attractive bids.

V. Impact On Township Finances:

There is no impact on Township finances due to rejecting the bids. Township staff hope that rebidding these two contracts may result in a lower overall price that is more in-line with the budget.

VI. Staff Recommendation:

Staff recommends rejection of all bids for Township Administration Building Roof Top Unit HVAC and General Contractor.