

RESOLUTION NO. 2025 – _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CARLOS
REJECTING ALL BIDS FOR THE SECOND FLOOR CITY HALL REMODEL
PROJECT C2414.**

WHEREAS, staff retained Viotti Architects to provide architectural plan services and prepare Project C2414 construction documents; and

WHEREAS, the final bid set of construction plans were prepared February 21, 2025; and

WHEREAS, the City advertised for bids on January 28, 2025, on the City's website, and requests for bids were published February 3, 2025 and February 10, 2025; and

WHEREAS, the sealed bids were opened March 6, 2025; and

WHEREAS, although DGN Build, Inc. submitted the lowest bid at \$779,000, staff, through its usual course of due diligence, determined it was not a responsible bidder per California Public Contract Code Section 1103 due to reference check results and California State License Board findings of an unsatisfactory history of performance, alleged personnel misconduct, and litigation history; and

WHEREAS, DGN Build, Inc. when informed of this recommendation withdrew its bid from consideration March 24, 2025; and

WHEREAS, LWG Construction of Morgan Hill, CA then became the lowest responsible bid and was to be recommended as the Project contractor; and

WHEREAS, due to recent tariffs imposed on countries and goods by the United States, LWG Construction of Morgan Hill suggested that their submitted bid should be 15% to 18% higher than originally estimated; and

WHEREAS, such as an increase in LWG Construction's bid would cause it to be the contractor with the highest bid for the Project; and

WHEREAS, staff recommend the City Council reject all bids for the Second Floor City Hall Remodel Project C2414.

NOW, THEREFORE BE IT RESOLVED, that the San Carlos City Council hereby rejects all bids from the Second Floor City Hall Remodel Project C2414.

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I, City Clerk Crystal Mui, hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Carlos at a scheduled meeting thereof held on the 27th day of May 2025, by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

APPROVED:

CITY CLERK of the City of San Carlos

MAYOR of the City of San Carlos