

### January 21, 2014 update:

Below please find information about the bid process for Long Bridge Park phase II construction which includes the Long Bridge Park Aquatics, Health and Fitness Center and the 8-acre park:

- Under a Competitive Sealed Bidding process, like the one used for potential award of a contract for the Long Bridge facility, bid records, which include “all proceedings, records, contracts and other public records” relating to a specific procurement transactions, are only available to the public after award of a contract – per Virginia State Code and the Arlington County Purchasing Resolution. Also, per State Code and the County Purchasing Resolution, cost estimates relating to a proposed transaction prepared by or for the County shall not be open to public inspection and are not part of the bid records. These provisions of Code are designed to maintain the integrity of the bidding process and insulate it from improper influence.

- Bid Openings are always open to the public in Virginia under the State Code and the cost information associated with some or all components of the bid are typically read aloud. We have not had requests in the past to provide this data, and initially understood that it could not be made public. This has been clarified and we recently learned that the information read aloud during the bid opening can be made available to the public prior to contract award. Consistent with that, the amounts read aloud at the Long Bridge Park Phase II bid opening are noted below. However, the underlying documents are not available and complete bid records would only become public after award of a contract. If the County decides to cancel the procurement, the bid records will be sealed and not be available for public review.

- o Amounts read aloud at bid opening (in alphabetical order) in late December:

- § Balfour Beatty Construction, LLC: \$82,197,000.

- § Christman/Apex, a Joint Venture Partnership: \$82,821,000.

- § Gilbane Building Company: \$82,450,352.

- § Hess Construction + Engineering Services, Inc.: \$81,902,001.

- **However, it is not always apparent which bidder is the lowest bidder as often there are bid formulas and alternate items that might be taken into consideration.** In a construction job of this size and sophistication, which includes very advanced mechanical systems, the requirements and bid documents are complex. Bidders negotiate pricing with various subcontractors and make determinations about project risks, which results in varying prices for bid elements.

- The amounts read aloud at bid opening covered only the construction of the aquatics, health and fitness facility and the surrounding park area. The total cost of Phase II of the project included many other elements in addition to construction. These elements included the costs for design, future costs of furniture, internal equipment and fixtures, technology, security, public art, construction management, third party testing and required permits. County staff will not provide break downs of the costs of these other elements, because to do so would allow a determination of the underlying construction cost estimate. The total project cost (including all of the elements above and the construction costs) was estimated at \$79.2 million in the adopted CIP.

- Again, although the information read at the bid opening is now public, the estimated costs (the amounts provided in the independent cost or County estimates for the items included in the bid) cannot be made available. Again, the construction costs are only part of the overall project cost. Given that, the earlier statement by the County Manager that the bids received for construction were “significantly higher” than the estimate still stands. County staff cannot and will not confirm or deny the specific amounts of the overage or identify the estimated costs for the other project elements.

- County staff is currently analyzing the bids and determining a recommendation for the County Manager to bring to the County Board as to next steps.