

City of Sea Isle City

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QUESTIONS & ANSWERS 1

Below please find questions submitted by potential bidders and answers provided by the City of Sea Isle City regarding the 2023 & 2024 Ice Cream and Bottled Water Beach Concession Bid

Question:

In regards to Page 13 – IX. Causes for Rejecting Bids – "The bid is inappropriately unbalanced". What deems a bid inappropriately unbalanced? Is there an exact percentage above the first year's bid that would make the total bid unbalanced? (200%, 300%, 400% etc...)

Would a bid with a vast difference in year amounts be accepted? For example with a 300% increase: (\$600,000.00 total bid – Year 1 \$150,000 – Year 2 \$450,000).

When a bid is "back-loaded" in this form, oftentimes the prospective bidder has no intentions of honoring the second year amount, which leads to our next concern.

Answer:

The goal of this bid is to identify the highest responsive and responsible bidder for a two year contract. In order to safeguard the integrity of the bidding process, and in an attempt to prevent impermissible manipulation, the City reserves the right to decide when bids are inappropriately unbalanced. As one extreme example, a bid with the minimum \$150,000.00 for Year 1 and \$1,000,000.00 for Year 2 is inappropriately unbalanced. For all other instances, the City shall decide on a case by case basis given the actual bid submissions.

Question:

In regards to the May 1st, 2024 deadline for the second year payment (Page 22-1.8), in the event an accepted winning bid is "back-loaded" and the bidder does not intend to pay the second year, the city would not be made aware until mid-May. This creates a time sensitive situation if a rebid were to occur. We believe it is in the City's best interest to require full payment in the beginning of the year (as in previous year bid specifications.)

Answer:

There is no option not to pay the second year. Per §§ 1.3.1 and 1.3.2, "Both years must be bid on and prices are legally binding" and "All payments are mandatory and shall be provided to the City in a timely manner." Regardless of whether the winning bidder chooses to sell ice cream on the beaches or not, the full amount bid for Year 2 will be due and owing on May 1, 2024.

Furthermore, per § 4.10.5, "If an action is instituted by the City for the collection of the amounts due from the defaulting vendor, the City shall be entitled to

collect, in addition to any amount owed under the terms of these specifications or the contract, its attorney's fees and costs."