



DATE: May 20, 2014

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Police/Fire Administration Building Refurbishments, Project 12-28**

RECOMMENDATION

1. Award the construction contract to Eternal Construction of Burlingame in the amount of \$671,100.
2. Transfer and appropriate \$54,000 from the Construction/Conveyance Tax Fund to Police/Fire Administration Building Refurbishments, Project 12-28, for additional construction costs. (Five votes required)

BACKGROUND

The scope of work for Police/Fire Administration Building Refurbishments, Project 12-28, includes enclosing an exterior courtyard to create a new conference room; updating the heavily used auditorium; remodeling the arrest, intake, booking and property, and evidence processing areas; and updating public and staff restrooms and the front entry plaza to meet accessibility requirements. On January 14, 2014, the City Council approved the plans and specifications for the project, authorized staff to advertise the project for bids, and authorized the City Manager to award the construction contract to the lowest responsible bidder if the low bid is within the project budget.

On March 18, 2014, eight bids were received for the project (Attachment 1). The three contractors that appeared to submit the lowest bids withdrew or were disqualified. Two contractors, B Side Construction of Oakland and B Bros Construction of San Leandro, submitted letters to the City indicating their desire to withdraw their bids due to a mathematical calculation error and submitted evidence of such error. The Public Contract Code allows a public entity to relieve a bidder of their bid due to a mistake, and the public entity may award the contract to the next lowest bidder.

The City deemed the bid of a third bidder, ADA Construction, nonresponsive due to lack of experience required in the bid proposal forms.

The lowest responsive bid was submitted by Eternal Construction of Burlingame in the amount of \$753,660. Their base bid of \$646,000 plus the staff-recommended Add Alternates 3 and 4 total \$671,100 which exceeds the project budget. Eternal Construction's bid is competitive as eight bids were received and the first three bidders either made mathematical calculation errors in their bid, which would have increased their bids, or were not qualified per the requirements of the project. Add Alternate 3 consists of code-required accessibility improvements to the front entry ramp at \$22,500, and Add Alternate 4 includes replacing the existing HVAC (heating, ventilation, and air conditioning) diffusers in the auditorium for \$2,600. Both of the above add alternate costs are in line with the prebid cost estimate. The costs for the other add alternates are higher than anticipated and are not recommended.

ANALYSIS

Staff recommends a higher construction contingency than the usual 10 percent of the construction contract as remodel projects include more potential for change orders due to unforeseen conditions. Additionally, some of the other add alternates may be included in the project at a lower negotiated cost, such as hand dryers in the restrooms.

The estimated project cost is as follows:

Construction	\$ 671,100
Construction Contingency (13%)	87,400
Furniture, Fixtures, Temporary Facilities (including EOC and administration area improvements)	57,000
Architectural and Engineering Design Services	89,500
City Project Management and City Inspection	90,000
Inspection and Testing	5,000
Printing, Permits, etc.	<u>13,000</u>
Subtotal	1,013,000
City Administration @ 6.5% (for CIP 12-28 only)	55,000
TOTAL PROJECT COST	<u>\$1,068,000</u>

If the recommended actions are approved, construction is expected to start in summer 2014 and be completed in early 2015.

FISCAL IMPACT

A summary of funding sources is as outlined in the table below:

Project Name and No.	Available Funding	Funding Source
12-28	\$901,000	Construction/Conveyance Tax
07-42	\$54,000	Construction/Conveyance Tax (75%) CIP Reserve (25%)
13-24	\$59,000	Construction/Conveyance Tax
TOTAL	\$1,014,000	

With total funding available of \$1,014,000 and a project cost estimate of \$1,068,000, the project requires an additional \$54,000 from the Construction/Conveyance Tax Fund. The balance available as of April 30, 2014 is \$8.5 million.

ALTERNATIVES

Reject all bids, authorize staff to readvertise the project for bids, and authorize the City Manager to award the construction contract to the lowest responsible bidder if the low bid is within the project budget. The rebidding effort requires additional funding of \$20,000 from the Construction/Conveyance Tax Fund for additional consultant and staff time. Rebidding adds approximately two months to the schedule.

PUBLIC NOTICING – Agenda posting.

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JKR/3/CAM
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Attachment: 1. Bid Summary

cc: APWD – Solomon, PCE – Au, PCE – Macaraeg, ACE – Chang, PM – Rose, PC –
Bosel, FFM, FMS, F/c