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CO 94-014

DEPARTMENT OF
PUBLIC WORKS
OFFICE OF THE DIRECTOR

CITY OF SACRAMENTO
CALIFORNIA

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February 4, 1994

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City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: RESOLUTION REJECTING BIDS, WAIVING COMPETITIVE BIDDING AND AUTHORIZING STAFF TO NEGOTIATE A CONTRACT FOR THE MEADOWVIEW COMMUNITY CENTER CONSTRUCTION PROJECT (CB21)

LOCATION AND COUNCIL DISTRICT:

2450 Meadowview Road, Sacramento - Council District # 8

RECOMMENDATION:

This report recommends that the City Council adopt the attached resolution authorizing the rejection of bids, waiving of competitive bidding and negotiation of a contract for the Meadowview Community Center Construction Project (The project).

CONTACT PERSON: Greg Hovious, Contract Officer 433-6377

FOR COUNCIL MEETING OF: February 22, 1994

SUMMARY:

On September 7, 1993, Council approved the plans and specifications and authorized the Pre-Qualification of contractors for bidding the project. All bids have been received and exceed the available budget. Rebidding and/or redesign of the project would delay the project up to a year and result in additional design costs. Therefore, this report recommends Council reject all bids, waive competitive bidding, and authorize staff to receive proposals from the five bidders as to how the project can be delivered within the available budget.

This recommendation allows pre-qualified contractors to stay in the process to offer potential areas of cost savings and will maintain project design integrity by limiting changes to those areas that are least critical to the project's overall needs.

7276

BACKGROUND INFORMATION:

Requests for Qualifications were issued to the construction industry in September 1993. Statements of Qualifications were received on October 20, 1993 from six (6) contractors. The contractors were evaluated on the following criteria:

- Provide the required bonding;
- Provide the required insurance;
- Prior project terminations;
- Proof of prior project completion of similar size and scope;
- Exceeding or meeting the MBE / WBE goals;
- Providing entire team of sub-contractors for the project; and,
- Completeness of the requested documentation

The evaluation committee consisted of representatives from the Meadowview Community Center Advisory Committee, Neighborhood Services Department, Office of Minority, Women and Small Business, Council member Pannell's Office and Facility Management. The evaluation committee Pre-Qualified all six contractors, and each contractors team of sub-contractors, to submit bids for the project. The six contractors are:

- Voit Construction
- Dinwiddie Construction
- Sierra National Construction, Inc.
- Camray Construction
- John F. Otto, Inc.
- Mark Diversified, Inc.

All six contractors indicated in their Qualification packages that they could complete the project within the available budget and construction estimate.

THE BID

On January 12, 1994, five (5) bids for the project were received. They are:

| Bidder | Bid Amount | Bidders Location | MBE/WBE Participation | Good Faith Effort Attained |
|------------------------|-------------|------------------|-----------------------|----------------------------|
| Sierra National Const. | \$4,125,000 | Carmichael | 14.6% / 15.4% | N / A |
| Dinwiddie Const. | \$4,256,000 | Sacramento | 21.9% / 18.9% | N / A |
| Voit Const. | \$4,376,100 | Sacramento | 27.2% / 17.4% | N / A |
| Camray Const. | \$4,463,478 | Sacramento | 14.2% / 18.3% | N / A |
| John F. Otto | \$4,748,000 | Sacramento | 18.7% / 13.9% | N / A |

The construction estimate was \$3,148,000 plus \$200,000 for toxic remediation or \$3,348,000 total.

Mark Diversified, Inc. did not submit a bid.

Staff polled the contractors to determine the cause of the bid overruns. The contractors responded that the primary reasons were:

- Increase in material prices
- Special order materials to accommodate design requirements
- Improved quality of materials that will reduce maintenance costs for a better life cycle cost
- Phase 2 and 3 needs included in Phase 1 construction
- Limited subcontractor competition
- Overall economic recovery

THE SOLUTION

In order to allow the project to proceed, additional funding must be secured. The project must be redesigned or an alternative bid process must be utilized. Given the City's continuing financial situation, staff does not recommend increasing available funding for the project, but some added funds can be made available from the current project budget. While a redesign and rebidding may result in a project bid within budget, this option would take additional time (up to a year) and is likely to result in significant additional design costs and a poorer quality project. In addition, this option would postpone community access to needed services while the re-design was accomplished.

Staff recommends that an alternative bid process be utilized to expedite a construction contract award and minimize project delivery delay. It is recommended that Council reject all bids, waive competitive bidding and authorize staff to receive proposals from the five contractors as to how they can deliver The project within the available budget.

This proposal process has several advantages. It will allow those contractors who have the most knowledge to offer potential areas of cost savings. It will keep only those contractors who have been pre-qualified involved in The project. It will also reward those contractors who have the most invested an opportunity to attain the construction contract. It will maintain project design integrity by limiting changes to those areas that are least critical to The project overall needs .

The proposal process will be based on an evaluation of the following parameters:

- Ability to deliver The project within the available budget
- Ability to exceed or meet MBE / WBE goals
- Ability to deliver The project within the parameters set forth in the Value Engineering Guidelines, attached as Exhibit A.
- Quality and scope of Contractor Generated Value Engineering proposals
- Contractor's proposed Time of Performance

An evaluation committee comprised of representatives from the Meadowview Community Center Advisory Committee, Neighborhood Services Department, Office of Minority, Women and Small Business, Council member Pannell's Office, The project Architect and Facility

City Council

RE: RESOLUTION REJECTING BIDS, WAIVING COMPETITIVE BIDDING AND AUTHORIZING STAFF TO NEGOTIATE A CONTRACT FOR THE MEADOWVIEW COMMUNITY CENTER CONSTRUCTION PROJECT (CB21)

Date February 4, 1994

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Management will review the proposals and select the best proposal for award of the construction contract. The evaluation criteria will be based on the scoring sheet attached as Exhibit B.

FINANCIAL CONSIDERATIONS:

The unobligated project budget as of this date is \$4,397,821. A construction contract will only be awarded if a proposal is received within the available budget.

POLICY CONSIDERATIONS:


The rejection of all bids, waiving of competitive bidding upon a two-thirds vote of Council and authorizing staff to receive proposals from the five contractors is consistent with Sacramento City Code Title 58.

This process is also consistent with Council's priorities of Economic Development, Neighborhood revitalization and enhancement and Positive youth alternatives.

MBE/WBE EFFORTS:

This process will directly focus on exceeding or meeting the MBE / WBE goals.

Respectfully submitted,


Duane Wray
Facility Manager

RECOMMENDATION APPROVED:


WILLIAM H. EDGAR
City Manager

APPROVED:


ROBERT L. LEE
Deputy Director of Public Works

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION REJECTING BIDS, WAIVEING COMPETITIVE
BIDDING AND AUTHORIZE CITY STAFF TO
NEGOTIATE A CONTRACT FOR MEADOWVIEW
COMMUNITY CENTER CONSTRUCTION PROJECT (CB21)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. All bids for Meadowview Community Center Construction Project are rejected;
2. Competitive bidding is hereby waived; and
3. Staff is authorized to negotiate a contract for construction of Meadowview Community Center.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Attachment "A"

January 4, 1994

The following pages list areas for potential value engineering proposals. Contractors are free to develop proposals as required to meet the City's max. construction budget.

Possible Cost Reduction Items

Identified by consultants & City staff

DIV. Site Development

2000 Sitework

- Reduce top soil from 1'-0" to 6" in future expansion area
- Reduce 4" conc. walk/patio area
- Delete all brick pavers
- Delete monument sign
- Delete concrete planters, provide sloped landscape where possible
- Delete conc. stepping amphitheater
- Delete athletic surfacing at basketball courts & use asphalt
- Delete parking lot @ ballfields area

3000 Concrete

- Delete footings for chiller wall

4000 Masonry

- Delete wall @ chiller & replace with plastic coated chainlink @ the same height
- Revise brick veneer using alternative local manufacturers

5000 Metals (not used)

6000 Rough Carpentry

- Possible revision to structure by replacing hard to find wood members with steel

6200 Finish Carpentry

- Delete upper & lower casework in meeting rooms.
- Delete display case
- Delete solid plastic counters to plywood with plastic laminate @ men & women bathrooms

7000 Thermal & Moisture barriers

- Alternate flat roofing material
- Delete waterproofings related to reduced planters (wall waterproofing to remain)

8000 **Doors & Windows**

Replace overhead door at office w/ fixed window
Use alternate windows with the same architectural features
Delete overhead coil grill at vending area

9000 **Finishes**

Replace Dryvit system with plaster
Delete acoustical wall panels
Revise Anti graffiti specs to Monochem,
"sacrificial graffiti control" by Monopole International
Revise protective wall covering in gym to wall covering

10000 **Specialties**

Delete bulletin board
Delete folding partition & wall openings
Delete feminine napkin dispenser
Delete condom dispenser

11000 **Equipment**

Reduce movable basketball goals from (4) to (2)
Delete wall crash pads
Delete bleachers
Delete kitchen hot food warming unit
Delete kitchen coffee maker
Delete kitchen cook's work table
Delete projection screens @ meeting rooms
Projection screen @ gym, electrical conduit to remain

12000 **Furnishings**

Delete window covering
Delete floor mats

13000 **Furnishings (not used)**

14000 **Conveying System (not used)**

15000 **Mechanical**

Down size chiller 150 ton to 100 ton
Delete fly fan @ kitchen door
Delete HVAC duct work & VAV-6 @ storage rooms 130A & B
Rectangular diffusers vs. linear @ lobby
Combine return grill into one @ lobby
Use round duct where possible
Delete 2 DDC controllers. Only 4 needed.
Single return grill @ RM # 137 & 138 including F/S damper

15000 **Mechanical**

- Delete bar sinks, htr & plumbing lines @ meeting RM #137 &138
- Delete outside basketball drinking fountains & plumb lines
- Eliminate DDC printer
- Single DO point to start supply & return of each air handler
- Remove DO point for pump start & AI for tank pressure from domestic booster pump
- Combine the A0 point for AH-2&3 economizer to single A0 point to delete a controller
- Combine smoke detectors into a single DI point

16000 **Electrical**

- Delete dimming system in gym. Fixture type 'K' will be on/off only
(circuiting switches per code)
- Revise exterior light pole lights from "round top" to "shoe box " type

List Of Items NOT Subject To Change

SITE

- 1 Toxic remediation piping and utilities
- 2 Gates to the site
- 3 Protective bollards
- 4 Basketball courts
- 5 Bike racks
- 6 Flag pole
- 7 Chiller site location
- 9 Underground utility line sizes
- 10 All Code and ADA related items
- 11 Construction site sign

Building

- 1 Exterior brick veneer
- 2 Interior finish floor materials and patterns at lobby, pre-function hall & gym
- 3 Curved metal roofs including specifications
- 4 Interior & exterior platforms & handicapped ramp
- 5 Graffiti proof coating
- 6 Interior wall finishes
- 7 Volleyball, basketball & kitchen equipment not listed
- 8 All Code and ADA related items
- 9 Skylight

Meadowview Community Center Contractor Proposal Scoring Sheet

1. Did the Contractor provide a price within the available construction budget?

1 2 3 4 5

2. Did the contractor exceed or meet the MBE / WBE goals?

1 2 3 4 5

3. Did the contractor provide a project within the parameters of the Value Engineering Guidelines?

1 2 3 4 5

4. Rank the contractors Value Engineering Proposals in terms of quality and value.

1 2 3 4 5

5. Rank the contractors requested time of performance.

1 2 3 4 5