



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
April 18, 2006

Honorable Mayor and
Members of the City Council

Subject: Contract: Oak Park Child Care Center Storm Damage Repairs

Location/Council District: Oak Park Child Care Center (District 5)

Recommendation:

Adopt a Resolution: 1) Suspending formal competitive bidding, and 2) authorizing the City Manager to execute a contract with CM Long General Contractors, Inc., in a total amount not to exceed \$319,908 to repair damage to the Oak Park Child Care Center incurred during the storm on January 1, 2006.

Contacts: David Myerson, P.E., Facilities Superintendent, 808-6270; Cynthia Kranc, Facilities & Real Property Manager, 808-2258

Presenters: Not Applicable

Department: General Services

Division: Facilities and Real Property Management

Organization No.: 3275

Summary:

The January 1, 2006, storm events caused damage to the Oak Park Child Care Center requiring emergency repairs. The City entered into an emergency contract with CM Long in the amount of \$96,619 to make emergency repairs. Initial repairs have been made pursuant to the initial contract, but an emergency situation continues to exist at the Oak Park Child Care Center and staff requests authorization to enter into a contract with CM Long, General Contractor, Inc. for an amount not to exceed \$319,908, which includes \$287,256 for additional emergency repairs to restore the building to serviceable condition. Additionally, \$32,652 is requested as part of the contract for opportunistic deferred maintenance work. This contract will provide for structural damage repair and needed deferred maintenance at this facility. The request to suspend formal competitive bidding is based on the continuing emergency situation including the inability of the child care center that leases the Oak Park

Community Center to occupy the center and CM Long's familiarity with the present conditions at the site.

Committee/ Commission Action: None.

Background Information:

During the rain and wind storm on January 1, 2006, a large eucalyptus tree toppled and landed on the unoccupied Oak Park Child Care Center, causing damage to the structure with, fortunately, no injuries.

On March 10, 2006, the City executed an emergency contract in the amount of \$96,619 with CM Long, General Contractor, Inc. to perform emergency work to secure the building, remove furnishings, remove wet and damaged building materials, expose and investigate structural and utility damage, discuss repair strategies with City building officials, and formulate details for a reconstruction plan.

It is in the best interest of the City to suspend competitive bidding and award this contract for reconstruction and deferred maintenance work to CM Long, General Contractor, Inc. based on familiarity with the site that CM Long has gained from performing emergency work there. It is further based on the expense and delay of a formal bid process, which will extend the time the child care operations at the site remain displaced due to the continuing emergency situation.

The cost for restoring the building to proper structural and operating condition is proposed at \$287,256. The work consists of additional demolition, mold remediation, guardrail replacement, carpentry, insulation, plaster and wall repairs, roof replacement, floor, door, and window repairs, mechanical and electrical repairs and replacements, painting, sheet metal and flashing replacement, cleaning, tenant move-in, and general supervision.

It is advantageous and cost-effective to perform certain deferred maintenance tasks while the contractor is mobilized for reconstruction work. These deferred maintenance tasks were not caused by the storm. Tasks include replacing a water heater, air handling unit, plumbing fixtures, electrical equipment, concrete walks, and wall and floor coverings, as well as replacing particular plumbing drains and repairing associated water damage. The cost for this deferred maintenance work is \$32,652.

Financial Considerations:

The total repair costs of \$416,527 (which include the already executed emergency contract for \$96,619) will be paid by the City's Risk Fund (Fund 421) and the Facility Deferred Maintenance Project (PN: CE21). Detailed information on the project costs is included as Attachment 1. Staff will seek reimbursement from the City's insurer in the amount of \$212,723, exclusive of any change order work. Additional estimated reimbursement of \$93,500 will be sought, but is not guaranteed, through disaster relief funding from the Federal Emergency Management Agency and the State of California Office of Emergency Services.

Environmental Considerations:

This project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15301(d) which states the restoration or rehabilitation of deteriorated or damaged structures, facilities and mechanical equipment to meet current standards of public health and safety, is exempt.

Policy Considerations:

The proposed City Council action and staff recommendations are consistent with the City's Strategic Plan goal to achieve sustainability and livability.

Emerging Small Business Development (ESBD):

Pursuant to City code Section 3.60.270, the contractor is required to meet a minimum 20% participation level for ESBE on this contract. The ESBE participation on this project is at least 30%, which exceeds the minimum requirement.

Respectfully Submitted by: David Myerson
David Myerson, P.E.
Facilities Superintendent

Cynthia Kranc
Cynthia Kranc
Facilities Manager

Approved by: Reina J. Schwartz
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

Ray Kerridge
RAY KERRIDGE
City Manager

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Attachment A

**Oak Park Child Care Center
Storm Damage Repair Summary**

Project costs:

Emergency Repairs	\$ 96,619	
Reconstruction	287,256	
Deferred maintenance	<u>32,652</u>	
Total project cost		\$ 416,527
Less Expected insurance reimbursement		<u>(212,723)</u>
Net City Cost		\$203,804

A breakdown of the Net City cost is summarized in the following table:

Insurance deductible	\$100,000
Mold abatement	42,774 ^a
Cost differential	28,378 ^b
Deferred maintenance	<u>32,652</u>
Total City project cost	\$203,804 ^c

a = mold abatement is not covered by the City's insurance policy

b = cost differential noted above is the difference between the insurance company estimate to repair the damage and the contractor proposal.

c = total City project cost may be reduced depending on the amount of disaster relief funding received (based on current information \$93,500 reimbursement will be requested).

RESOLUTION NO.

Adopted by the Sacramento City Council

April 18, 2006

**CONTRACT AWARD FOR THE OAK PARK CHILD CARE CENTER STORM
DAMAGE REPAIRS**

BACKGROUND

- A. During the rain and wind storm of January 1, 2006, a large eucalyptus tree toppled and landed on the unoccupied Oak Park Child Care Center, causing damage to the structure. The current lessee, a child care center, is not able to occupy the premises because of the damage.
- B. The total not-to-exceed cost for CM Long, General Contractor, Inc. to perform needed repair work and related deferred maintenance work is \$319,908, as described. This is in addition to the existing emergency contract in the amount of \$96,619.
- C. The cost for CM Long to restore the building to proper structural and operating condition is proposed to be \$287,256. This work includes additional demolition, mold remediation, guardrail replacement, carpentry, insulation, plaster and wall repairs, roof replacement, floor, door, and window repair, mechanical and electrical repair and replacements, painting, sheet metal and flashing replacement, cleaning, tenant move-in, and general supervision.
- D. The cost for CM Long to complete deferred maintenance tasks is proposed to be \$32,652. This work includes replacing a water heater, air handling unit, plumbing fixtures, electrical equipment, concrete walks, and wall and floor coverings, as well as replacing certain plumbing drains and repairing associated water damage.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. It is in the best interest of the City to suspend competitive bidding, and bidding is suspended for the Oak Park Child Care Center Storm Damage Repairs.
- Section 2. The City Manager is authorized to execute a contract for the Oak Park Child Care Center Storm Damage Repairs with CM Long, General Contractor, Inc. for an amount not to exceed \$319,908.

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