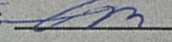


Agenda Report Reviewed by:
City Manager: 

CITY OF SEBASTOPOL
CITY COUNCIL
STAFF REPORT

Meeting Date: September 4, 2018
To: Honorable Mayor and Honorable City Councilmembers
From: Henry Mikus, Engineering Manager
Subject: Discussion and Consideration of Direction to Staff for Contract Number 2018-02 - Concrete Pad with New Utilities at Park Village.
Recommendation: Provide staff direction regarding installation of a new concrete slab for Park Village.
Funding: Currently Budgeted: Yes No N/A
Net General Fund Cost: \$ _____
Remaining project budget of \$35,815 is insufficient to cover expected total cost of a new slab with utilities.

INTRODUCTION:

This item is to request the City Council discuss and provide direction to Staff for Contract Number 2018-02 - Concrete Pad with New Utilities at Park Village.

BACKGROUND:

The City of Sebastopol owns the property of Park Village (formerly known as Village Mobile Home Park) and has contracted with West County Community Services (WCCS) to manage the facility. Part of the agreement with WCCS includes provision for the City to effect certain repairs and other capital improvements to the property. One planned improvement has been to replace the old Community Building via an appropriate office trailer parked on a new concrete pad. This arrangement allows the trailer to be moved in the event of flooding from the nearby Laguna De Santa Rosa, which does occur periodically.

The project originally carried a \$32,000 budget for the slab based on the quote from the initial renovation work contractor; this was a small slab without significant utility work required. As the slab design evolved, pricing was redone for the work, with a second price at \$49,000 then eventually for the final configuration at just under \$100,000. This last figure would have put the project about \$60,000 over budget; the majority of the price estimate rise for the final pad version was due to the utility work at \$43,900. At their June 19, 2018 meeting, City Council had a discussion and asked staff to return with alternatives and pricing before a decision would be made in the hope of finding some cost savings. Staff did do analysis of alternatives and returned to Council for discussion July 17, 2018, at which time Council approved putting the project out for bid.

DISCUSSION:

The project was put out to bid, and a single bid was received on August 23, 2018: R & C Construction of Middletown, CA for \$119,870. This bid by R & C Construction was above the engineer's cost estimate for the work of \$85,800.

An option would be to reject the bid, and elect to either not do the project, or to ask for a re-bid. Regarding bidding again, staff has had several conversations, including with the initial project contractor plus the recent bidder, that have resulted in evaluation of a possible workable and cost-saving alternate design that consists of a hybrid using a combination of concrete, asphalt, and tie-down piers. As previously discussed however, there are drawbacks to alternate designs as well as extended time frame required for the re-design and prosecuting a new bid process, plus uncertainty that there will be a price savings significant enough to warrant some compromises. Staff is engaged in evaluating this latest possibility and hopes to have sufficient detail information developed to share with Council at the meeting and discussion.

However, staff is extremely concerned, given the current cost environment for construction projects, that any further time that passes will only result in more increases, as that has been the unfortunate pattern of the past year. Despite the high price, staff recommends entering into a contract for the pad and utilities installation with R & C Construction for \$119,870. Their bid was deemed complete and acceptable. Recent conversations held by staff with local contractors has included a common sentiment that prices will only continue their rapid rise, with another problem starting to occur: capacity. Many contractors and suppliers have their projects booked as far as eighteen months in advance, stretching project time-lines.

The project, as with other Park Village improvements, is to be paid for from the Inclusionary Housing Fund, cost accounting code 700-23-51-9901. The Fiscal Year 2018 Fund end balance is anticipated to be about \$100,000. With the extra project cost added to the other CIP approved Fund projects for the year, there still is a sufficient balance to accommodate the project's added expense of \$85,000 over available Park Village budgeted money.

RECOMMENDATION:

That the City Council provide direction to staff. Staff has provided various options as discussed above in detail:

1. Accept the bid and award the contract to R & C Construction of Middletown, CA for an amount not to exceed \$119,870;
2. Reject the bid, and either choose not to construct the pad or request staff issue a re-bid that utilizes the possible alternate methods.

ATTACHMENTS:

- Bid Summary
- Contractor Bid Sheet



**Contract No. 2018-02
PARK VILLAGE RENOVATIONS
NEW CONCRETE SLAB PLUS UTILITIES**

Engineer's Estimate: \$96,100.00

Bid Opening: Thursday, August 23, 2018, 2:00 P.M.
City of Sebastopol Engineering Division
714 Johnson Street, Sebastopol, CA 95472

Present: Joe Gaffney, City Engineer
Henry Mikus, Engineering Manager

BID SUMMARY (UNVERIFIED)

| | BIDDER | BASE BID |
|---|-------------------------|--------------------|
| 1 | <i>REC Construction</i> | <i>\$119,870 -</i> |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |

Apparent Low Bidder:

| BID ITEM NO. | DESCRIPTION | ESTIMATED QUANTITY | UNIT OF MEASURE | UNIT PRICE | PRICE |
|--------------------------|---|--------------------|-----------------|------------|--------------------------|
| 1 | Mobilization, Bonds & Insurance | 1 | LS | | 8,500 ⁰⁰ |
| 2 | Excavation to grade and site work | 1 | LS | | 15,400 ⁰⁰ |
| 3 | Install new 24' x 70' concrete pad | 1 | LS | | 56,630 ⁰⁰ |
| 4 | Install perimeter transition asphalt pavement | 1 | LS | | 11,480 ⁰⁰ |
| 5 | Install ADA detectable warning surfaces | 1 | LS | | 2,240 ⁰⁰ |
| 6 | Install protective bollards | 1 | LS | | 2,520 ⁰⁰ |
| 7 | Striping & signage | 1 | LS | | 3,500 ⁰⁰ |
| 8 | Plumbing | 1 | LS | | 11,200 ⁰⁰ |
| 9 | Electrical | 1 | LS | | 8,400 ⁰⁰ |
| 10 | | | | | |
| TOTAL OF ALL BID ITEMS = | | | | | \$ 119,870 ⁰⁰ |

TOTAL PROJECT BID: \$ 119,870⁰⁰

Bid Amount, written in words: ONE HUNDRED NINETEEN THOUSAND, EIGHT HUNDRED SEVENTY DOLLARS -

Above prices shall include all costs for performing the entire contract as shown on the plans and included in these specifications and shall include but not be limited to all labor, materials, tools, equipment, mobilization, tree preservation, profit, overhead, insurance, bonds, and the like required to finish the various items of work.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informality in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 30 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by the section of the General Conditions entitled "Contract Security." The bid security attached in the sum of

10% OF BID AMOUNT (\$ _____), is to become the property of the Owner in the event the contract and bond are not executed within the time and additional expense to the Owner caused thereby.

Respectfully Submitted,

Ron Trevery

Signature

RON TREVERY - OWNER, RAC CONST.

Print Name and Title

P.O. BOX 913

Address

MIDDLETOWN, CA 95461

City, State, Zip Code

SEAL - (If Bid by a Corporation)