TO: HONORABLE CITY COUNCIL
FROM: CITY MANAGER
DEPARTMENT: PUBLIC WORKS
DATE: JUNE 7, 2004

SUBJECT: AWARD OF CONTRACT IN THE AMOUNT OF $1,489,572 TO NOVO CONSTRUCTION INC. FOR THE CIVIC CENTER ELEVATOR UPGRADES – CAPITAL IMPROVEMENT PROGRAM PROJECT PF-01002

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the Mayor to execute the attached contract with Novo Construction, Inc. in the amount of $1,489,572 for the Civic Center Elevator Upgrades – Capital Improvement Program Project PF-01002.

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Novo Construction, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $150,000.

DISCUSSION
Project Description
As part of the Infrastructure Management Plan, the Civic Center Infrastructure Improvements Project PF-01002, was funded to upgrade building systems and equipment at the Civic Center. An initial study of the building and its systems was completed in November 2003. Upgrade of the elevators was identified for the first phase of construction.

The project provides for renovation of three tower elevators and the plaza elevator including inspection and upgrade of all elevator drive components, code-required mechanical and electrical upgrades, modification to the elevator equipment room, and replacement of elevator drive equipment and controls. A canopy will be installed at the plaza elevator to prevent water from entering the elevator shaft. The project will provide improved efficiency and reliability of the elevator systems.

The project will be phased over an eight-month period, with one elevator being upgraded at a time. Two tower elevators will remain operational throughout the project. Disruptive work will be accomplished during off hours.
Bid Process
A notice inviting formal bids for the Civic Center Elevator Upgrades project was posted in City Hall and sent to nine contractors, and four builder's exchanges on April 2, 2004. Bid packages were sent to an additional five contractors and five elevator contractors during the bid process. The bidding period was extended to 44 days to allow additional contractors to bid. A pre-bid meeting was held on April 14, 2004; three bidders attended the meeting. Contractors who missed this meeting were briefed individually to encourage bidding. One bid was received from a qualified contractor on May 18, 2004, as listed on the attached bid summary (Attachment B). Contractors not responding indicated that they were too busy at this time, or were not interested in projects involving overtime work hours.

Summary of Bid Process

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>Civic Center Elevator Upgrades IFB #105325</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>240 calendar days</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>14</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>4</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>44</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>Yes</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>3</td>
</tr>
<tr>
<td>Number of Bids Received</td>
<td>1</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>$1,489,572</td>
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</tbody>
</table>

*Bid summary provided in Attachment B.

Staff has reviewed the single bid submitted and recommends that the bid of $1,489,572 submitted by Novo Construction, Inc. be accepted and that Novo Construction, Inc. be declared the lowest responsible bidder. The bid is 42 percent above the engineer's estimate of $1,050,700. Although the bid price is significantly higher than the engineer’s estimate, staff does not recommend the project be re-bid. Extensive outreach and a long bid period were provided and only one bid was received. It is not likely that a re-bid would net more bidders or lower bid price, but would cause additional delay to the project. The change order amount of $150,000 (which equals ten percent of the total contract) is requested for additional unforeseen work that may be required during construction.

Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found no significant complaints. The Certification of Non Discrimination is Attachment C.

RESOURCE IMPACT
Funds for this project are available in Capital Improvement Program Project PF-01002 – Civic Center Infrastructure Improvements.

POLICY IMPLICATIONS
This recommendation does not represent any change to existing City policies.

ENVIRONMENTAL REVIEW
This project is categorically exempt from California Environmental Quality Act under Section 15301 and no further environmental review is necessary.

ATTACHMENTS
Attachment A: Contract
Attachment B: Bid Summary
Attachment C: Certification of Non-Discrimination

PREPARED BY: KAREN SMITH
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DEPARTMENT HEAD: GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL: EMILY HARRISON
Assistant City Manager