



City of Palo Alto

City Council Staff Report

(ID # 12329)

Report Type: Consent Calendar

Meeting Date: 6/21/2021

Summary Title: Approval of a Contract for Municipal Service Center A, B, & C Reroof

Title: Approval of Construction Contract Number C21181691 With Best Contracting Services, Inc. in the Amount of \$1,710,000, and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$171,000, for the Municipal Service Center A, B, & C Roof Replacement Project, Capital Improvement Program Project PF-17000

From: City Manager

Lead Department: Public Works

Recommendation

Staff recommends that the City Council:

1. Approve and authorize the City Manager or their designee to execute a construction contract with Best Contracting Services Inc. ([Contract No. C21181691](#)) in the amount of \$1,710,000 for Municipal Service Center A, B, & C Roof Replacement, Capital Improvement Program Project PF-17000; and
2. Authorize the City Manager or their designee to negotiate and execute one or more change orders to the construction contract with Best Contracting Services, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed \$171,000.

(The contract is linked for ease of reference due to the volume of pages.)

Background

The existing Municipal Service Center roofs on Buildings A, B, & C have been in service for 25 years and are exhibiting signs of severe wear, including leaks. To avoid the potential for more serious leaks than experienced to date, structural damage to the buildings, and the potential need for a complete roofing system replacement, staff has determined that the roofs must be rehabilitated.

Discussion

The existing bituminous roof is nearing the end of its useful life and needs to be rehabilitated. The project will place a fluid, reinforced waterproofing application over the existing roofs. If

the existing roof deteriorates beyond a certain point, the fluid applied system cannot be utilized, and a full removal and replacement of the roofing system would be required at a greater cost. The application meets current cool roofing codes to optimize energy efficiency and is expected to extend the useful life of the roof for approximately 25 years.

Bid Process

On May 11, 2021, a notice inviting formal bids for the Municipal Service Center A, B, & C Roof Replacement project was posted on the PlanetBids website. The bidding period was 23 days. Bids were received from eight qualified contractors on June 2, 2021, as listed on the attached Bid Summary (Attachment A).

Table 1: Summary of Bid Process

BID NAME/NUMBER	MUNICIPAL SERVICE CENTER A, B, & C ROOF REPLACEMENT PROJECT, CAPITAL IMPROVEMENT PROGRAM PROJECT PF-17000 /IFB #181691
<i>PROPOSED LENGTH OF PROJECT</i>	120 calendar days
<i>NUMBER OF BIDS MAILED TO CONTRACTORS</i>	26
<i>NUMBER OF WEBSITES</i>	1 (PlanetBids)
<i>NUMBER OF BIDS MAILED TO BUILDER'S EXCHANGES</i>	8
<i>TOTAL DAYS TO RESPOND TO BID</i>	23
<i>MANDATORY PRE-BID MEETING</i>	May 20, 2021 at 9:30 A.M.
<i>NUMBER OF COMPANY ATTENDEES AT PRE-BID MEETING</i>	19
<i>NUMBER OF BIDS RECEIVED:</i>	8
<i>BID PRICE RANGE</i>	\$1,700,000 – \$2,380,500

Staff has reviewed all bids submitted and recommends that the base bid of \$1,700,000 submitted by Best Contracting Services, Inc. be accepted and that Best Contracting Services, Inc. be declared the lowest responsible bidder. The low bid is six percent below the engineer's estimate of \$1,800,000. Staff also recommends awarding additive alternates 1, 2, and 3 totaling \$10,000. The change order amount of \$171,000 (which equals 10 percent of the total contract) is requested for related, additional but unforeseen work which may develop during the project. Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff also contacted the listed references for Best Contracting Services, Inc. and found that they have performed satisfactorily on past construction projects for other clients.

This contract is on the City's construction contract template, which permits the City to terminate without cause/for convenience by providing written notice to the contractor. In the event the City finds itself facing a challenging budget situation, and it is determined that City resources need to be refocused elsewhere, the City can terminate for convenience. Other options include termination due to non-appropriation of funds or amending the contract to reduce the cost, for example, by reducing the scope of work.

If not awarded, staff would not pursue this work and the facility roofing would continue to deteriorate, making this strategy unavailable when the roof reaches a state of greater disrepair. This would result in the need to complete a full replacement, which is expected to cost more than this approach as noted earlier.

Timeline

Once the contract is approved, the Notice to Proceed will be issued. Staff anticipates the installation process to take approximately four months.

Resource Impact

Funding for the Municipal Service Center A, B, & C Roof Replacement Project is available in the Fiscal Year 2021 Adopted Budget for the Capital Improvement Program project PF-17000.

Policy Implications

This project aligns with the City's Policy C-3.2 to reinvest in aging facilities to improve their usefulness and appearance.

Stakeholder Engagement

The Municipal Service Center A, B, & C Roof Replacement Project has been coordinated with the user groups at the MSC: Utilities, Public Works, Administrative Services, and Community Services Departments.

Environmental Review

This project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15301 of the CEQA Guidelines as repair, maintenance and/or minor alteration of existing facilities and no further environmental review is necessary.

Attachments:

- Attachment A - Bid Summary

ATTACHMENT A - BID TABULATION
 BID RESULTS FOR MUNICIPAL SERVICE CENTER BUILDINGS A, B, & C ROOF REPLACEMENT PROJECT (IFB 181691)
 INVITATION FOR BID (IFB) ISSUED ON 05/11/2021
 BID DUE ON 06/2/2021 3:00 PM PST

BID ITEM	DESCRIPTION	Unit of Measure	Qty	AlCal Specialty Contracting, Inc.	Andy's Roofing Co, Inc.	Best Contracting Services, Inc. (Lowest Responsible Bidder)	Courtney, Inc.	ERC Roofing	Pioneer Contractors, Inc.	State Roofing Co, Inc.	Stronger Building Services, Inc.
Base Bid	Buildings A, B, & C as a Turn-Key Project	LS	1	\$2,202,545	\$1,902,600	\$1,700,000	\$2,232,944	\$2,166,000	\$2,304,500	\$2,160,358	\$2,380,500
	Engineer Estimate	LS	1	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000
	Percent Difference			18%	5%	-6%	19%	17%	22%	17%	24%
Additive Alternate Bids											
1	Remove & Repair Unused Curbs	LS	1	\$15,502	\$31,106	\$2,500	\$14,805	\$49,000	\$8,400	\$4,988	\$50,000
2	Roof Under Wood Sleepers	LS	1	\$7,832	\$8,241	\$1,500	\$8,750	\$15,000	\$9,200	\$3,796	\$30,000
3	Use KnuckleHead Supports	LS	1	Excluded	\$9,995	\$6,000	\$5,400	\$42,000	\$15,800	\$16,485	\$48,000
				\$23,334	\$49,342	\$10,000	\$28,955	\$106,000	\$33,400	\$25,269	\$128,000
Deductive Alternate Bids											
1	Building A	LS	1	\$714,008	\$552,800	\$453,000	\$709,800	\$678,000	\$706,000	\$666,706	\$793,500
2	Building B	LS	1	\$603,836	\$501,600	\$545,000	\$637,720	\$589,000	\$657,800	\$600,847	\$621,000
3	Building C	LS	1	\$884,701	\$848,200	\$702,000	\$885,424	\$899,000	\$940,700	\$892,805	\$966,000
				\$2,202,545	\$1,902,600	\$1,700,000	\$2,232,944	\$2,166,000	\$2,304,500	\$2,160,358	\$2,380,500

Notes: 1. Determination of Lowest Bid - The lowest bid shall be the lowest Base Bid without consideration of the prices on the Additive and Deductive Alternate items.