



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Albert Balagso
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 09-12-06

Approved

Date

9/13/06

COUNCIL DISTRICT: 7

SNI: Tully/Senter

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE COUNCIL DISTRICT 7 CONSTRUCTION AND CONVEYANCE TAX FUND AND AWARD A CONTRACT TO BOBNAY, INC. FOR THE FAIR SWIM CENTER LOCKER ROOM IMPROVEMENT PROJECT

REASON FOR SUPPLEMENTAL MEMORANDUM

To provide additional information after bids were opened.

RECOMMENDATION

- a. Report on bids and award of contract for the Fair Swim Center Locker Room Improvement Project to the low bidder, BobNay, Inc., dba Ram Building Company, in the amount of \$116,881, and approval of a contingency in the amount of \$17,532.
- b. Adoption of the following Appropriation Ordinance Amendments in the Council District 7 Construction and Conveyance Tax Fund:
 - 1. Establish the Fair Swim Center Locker Room Improvement Project to the Parks, Recreation and Neighborhood Services Department in the amount of \$175,000; and
 - 2. Decrease the Reserve: Fair Swim Center by \$175,000.

OUTCOME

Approval of this construction contract to BobNay, Inc., dba Ram Building Company, will allow the project to proceed as scheduled, and approval of the 15% contingency will provide funding for any unanticipated work necessary for the completion of the project. Approval of the recommended appropriation action will ensure adequate funding to complete the project.

BACKGROUND

Before bids opened for this project, an initial memorandum was developed for the September 19, 2006 Council meeting. The purpose of this supplemental memorandum is to provide additional information obtained after the bid opening.

ANALYSIS

Bids were opened on August 24, 2006, with the following results:

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
California Plus Engineering, Inc. (San José)	\$185,000	\$50,000	37
Page Construction Company (Novato)	163,872	28,872	21
Calstate Construction, Inc. (Fremont)	139,555	4,555	3
Rodan Builders, Inc. (Belmont)	138,000	3,000	2
Engineer's Estimate	135,000	-	-
Victory Construction, Inc. (Hayward)	127,500	(7,500)	(6)
Tucker Construction, Inc. (San José)	123,900	(11,100)	(8)
Eternal Construction, Inc. (South San Francisco)	118,600	(16,400)	(12)
BobNay, Inc. dba Ram Building Company (Campbell)	116,881	(18,119)	(13)

The low bid submitted by BobNay, Inc., dba Ram Building Company, is 13 percent below the Engineer's Estimate. The bid is considered acceptable for the work involved in the project, and staff recommends awarding the construction contract to BobNay, Inc. dba Ram Building Company.

Council policy provides for a standard contingency of ten percent on public works projects involving retrofit construction of a building. However, on this project, a contingency of 15 percent is recommended to address variable issues related to the removal the restroom floors, including the possibility of damage to the walls of the locker room facility and the constraints of keeping the Swim Center open for administrative staff during construction.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Project Delivery	\$ 72,000
Construction (See Cost Breakdown Below)	116,881
Construction Contingency	<u>17,532</u>
TOTAL PROJECT COSTS	\$206,413
Prior Year Expenditures	32,000 *
REMAINING PROJECT COSTS	\$174,413

*A total of \$32,000 was expended in 2005-2006 for project delivery costs.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT:

Total Construction Contract (Lump Sum) \$116,881

3. SOURCE OF FUNDING: 385 – Construction and Conveyance Tax Fund,
 Council District 7

4. FISCAL IMPACT: The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Contract	2006-2007 Proposed Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$174,413			
Recommended Budget Actions						
385	7099	Reserve: Fair Swim Center	\$368,000		V - 401	

* Budget actions are recommended in this memorandum to allocate \$175,000 of the \$368,000 in the Fair Swim Center Reserve to this project.

HONORABLE MAYOR AND CITY COUNCIL

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Subject: Fair Swim Center Locker Room Improvement Project

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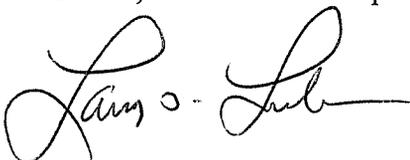
CEQA

CEQA: Not a project.



KATY ALLEN

Dr Director, Public Works Department



LARRY D. LISENBEE

Budget Director



ALBERT BALAGSO

for Acting Director, Parks, Recreation and
Neighborhood Services Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at (408) 535-8300.

Attachment

KJ:rv:rm

Fair Swim Center Supplemental