



Subject: **REPORT ON BIDS AND AWARD OF CONTRACT FOR FACILITIES ROOF REPLACEMENT PROJECT – PHASE I**

Council Agenda: **08-16-11**
Item: **2.13**

City Council Action Request

Departments: Environmental Services, Public Works	CEQA: Exempt, PP11-004	Coordination: City Manager’s Budget Office, City Attorney’s Office, and the Treatment Plant Advisory Committee	CMO Approval:  8/2/11
			Dept. Approval: Kerrie Romanow /s/ David Sykes/s/

RECOMMENDED ACTION:

- 1) Award the construction contract for the Facilities Roof Replacement Project – Phase I to the low bidder, Andy’s Roofing Company Inc., in the amount of \$600,770.
- 2) Approve a contingency in the amount of \$60,000.

BASIS FOR RECOMMENDATION:

The San José/Santa Clara Water Pollution Control Plant (Plant) currently has a total of 25 major building facilities with a total roofing area of 287,000 square feet. These buildings were constructed at various time periods to meet the needs of Plant expansion. Most of the roofs are either built-up bituminous (BUB) or sprayed polyurethane foam (SPF), which are the two major types of roofs commonly used for industrial and institutional buildings. A third type, the acrylic coating roof (ACR) system, which is a fluid-applied layered roofing system consisting of a watertight blanket of elastomeric acrylic, encapsulating a tough stitch-bonded polyester fabric, can be applied over any existing roof and comes with a 20 year warranty. The acrylic material is locally made and environmentally safe.

The majority of the roofs have exceeded their life expectancy of 20 to 30 years and show signs of deterioration. A condition assessment completed in 2008 by Lorenzo Roofing found most of the roofs are in need of various types of repairs and 8 of the roofs were identified for complete replacement. This project will completely rehabilitate 6 of the higher priority roofs. Staff developed cost estimates and analysis for repair, rehabilitation or replacement of 6 of the roofs and the results indicated that the cost of frequent maintenance of the existing roofs would far exceed that of replacement and/or rehabilitation. Rehabilitation of the roofs with an ACR system was determined to be most cost effective, especially considering the benefits of minimized disruption to building use during construction and no need to dispose of existing roofing and insulation material. In addition, the white reflective finish surface of the ACR will reduce building cooling costs during summer months.

This project was advertised in May 2011 with a total of 10 bidders submitting proposals. Andy’s Roofing Company Inc. from Milpitas, CA, submitted the low bid in the amount of \$600,770 which is 45% above the Engineer’s Estimate. The high bids may be attributed to the specialty nature of the project, the rise in material costs as a result of rising fuel costs and the lack of historical bid data for comparison during the development of the engineer’s estimate. The lowest 6 bids were within 10% of each other reflecting a highly competitive bidding environment and more likely the true cost of the project. The bid amount is considered acceptable for the work involved and a 10% contingency is appropriate for this project.

COST AND FUNDING SOURCE:

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT:	\$600,770
2.	COST OF PROJECT:	
	Project Delivery	\$210,000
	Construction	600,770
	Contingency	60,000
	TOTAL PROJECT COSTS	\$870,770
3.	SOURCE OF FUNDING: 512 – San José-Santa Clara Treatment Plant Capital Fund, Plant Infrastructure Improvements appropriation	
4.	FISCAL IMPACT: Existing funds are available for this project. No additional appropriation action is required.	

FOR QUESTIONS CONTACT: Michael O'Connell, Acting Deputy Director, Public Works at (408) 535-8300 or Bhavani Yerrapotu, Deputy Director, Environmental Services at (408) 945-5321.