



# City of San Leandro

Meeting Date: November 7, 2016

## Staff Report

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**File Number:** 16-520 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.E.

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for a Resolution to Award a Construction Contract to Century Carpet, Inc., Authorization for the City Manager to Negotiate and Approve Individual and Cumulative Change Orders Up to 5% of the Original Contract Amount and City Council Approval to Additionally Appropriate \$50,000 for Painting and Resilient Flooring from General Fund Balance for the Main Library Carpet Replacement, Project No. 2014.0370

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### SUMMARY AND RECOMMENDATIONS

This contract provides for replacing the existing carpeting in the Main Library.

Staff recommends the following actions:

- Awarding the negotiated construction contract and bid alternatives to Century Carpet, Inc. for the amount of \$517,885.00 for the subject project;
- Authorizing individual and cumulative change orders up to 5% of the original contract;
- Appropriating additional General Funds in the amount of \$50,000 for this project.

### BACKGROUND

This project will replace existing carpet flooring throughout the Main Library, excluding the Auditorium and Project Literacy offices, which have less foot traffic and do not currently need replacement. Existing carpet will be changed to resilient vinyl flooring in the Karp, Estudillo and Trustees public meeting rooms.

### Analysis

The project was advertised on September 2, 2016 and two mandatory pre-bid meetings were held on September 12 and September 13, 2016. Bids were opened on September 22, 2016, and there was only one bidder, Century Carpet, Inc.. Their original bid was \$509,000 for the base bid and \$586,000 for the base bid plus additive alternatives for painting and resilient

flooring. The City decided to open negotiations with the sole bidder in an effort to reduce the project costs. This negotiation effort was undertaken for the following reasons:

- There was only one bidder.
- Re-bidding could not meet the proposed project schedule to start these repairs during the City's holiday closure period.
- The bid with additive alternatives was almost 15% higher than the engineer's estimate of \$511,000 and exceeded current available project funding.
- Comparison of the bid with cost information available on a statewide contract directly with the carpet manufacturer (Shaw Industries, Inc.) indicated that the City might be able to get a lower cost.

Staff initiated negotiations with the contractor and a revised bid total of \$517,885.00 was agreed to for the total project including the additive alternatives by reducing the quantity of attic stock (additional replacement material) compared to the original bid. The original bid requested an additional 20% of carpet 'attic stock' to provide an ample supply of replacement panels in case the carpet patterns are discontinued. Based on a review of other projects, it was determined a reduced quantity of replacement panels (10%) was suitable for this project allowing for a reduction in cost.

The additive bid alternatives for painting and resilient flooring are additions to the original project scope but are important to include in this award. Additional painting is desirable because the existing accent colors in the building would clash with the new carpet patterns. Additionally, upgrading paint and carpeting at the same time will maximize the positive impact of this project, benefitting all patrons of the library. Changing the existing carpet to resilient vinyl flooring in the Karp, Estudillo, and Trustees public meeting rooms is needed because these areas are heavily used for a wide variety of events, including activities like children's crafts or the serving of refreshments that could potentially stain carpet materials. The new resilient flooring will be easier to clean and more durable.

Staff recommends that the City Council appropriate \$50,000 from general funds to augment the current appropriation and fully fund the project with the bid alternative items for painting and resilient flooring.

Century Carpet, Inc., the low bidder, does not have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance nor did they meet the Local Business Participation Goal by subcontracting to San Leandro businesses 25% of the total contract value. However, the bidder will utilize a local subcontractor, Crown Worldwide Moving and Storage, for moving services that represents \$5,000 or approximately 1% of the total contract value. Additionally, the lowest bidder provided documentation that demonstrated completion of the required good faith efforts to meet the local business participation goal.

Staff verified that the contractor has a valid license with the Contractor's State License Board and is registered with the California Department of Industrial Relations. At the mandatory pre-bid meetings, staff presented the requirements of the Local Inclusion Policy Ordinance, responded to bidder questions, and provided contact information for free technical assistance if needed. Bidders were also provided with a list of contractors performing trades applicable to this project's construction that currently hold business licenses with the City of San Leandro.

As is standard in the construction industry, staff balanced site investigation costs with the risk of finding unforeseen conditions during construction as well as the design costs with the level of detail on the plans. As a result, unforeseen conditions may be encountered during construction and plan details may need to be adjusted or clarified. In order to minimize delay to the project and ensure that the scope of work is adjusted as needed to provide the highest quality project for the City, staff requests that the City Council authorize the City Manager or his designee to negotiate and approve individual and cumulative change orders up to 5% (or \$25,894) of the original contract amount. This will ensure efficient completion of the project on budget and on schedule.

### **Committee Review and Actions**

This project was presented to the City Council Facilities and Transportation Committee on July 19, 2016. Two carpet schemes were reviewed at this meeting; both were acceptable to the Committee. The additive alternatives for resilient flooring and painting were also discussed at this meeting; both additions were viewed as important and appropriate changes to incorporate into the project.

This project was presented to the City Library and Historical Commission on July 19, 2016. The Commission reviewed the two patterns presented to the City Council Facilities Committee and recommended to staff the carpet pattern to be used for the project.

### **Current Agency Policies**

- 2015-15 City Council Goal: Maintain and Enhance the City's Infrastructure.
- 2013-15 City Council Goal: Support and implement programs, activities and strengthen communication that enhances the quality of life and wellness, celebrates the arts and diversity and promotes civic pride.

### **Applicable General Plan Policies**

- This project is consistent with Infrastructure Goal No. 52 for the General Plan and Action Item 52.07, Maintenance: Ensure that sufficient funding is provided for the ongoing maintenance of City-owned facilities.
- This project is consistent with Library and Information Services Goal No. 47 for the General Plan and Action Item 47.01, Library Expansion and Upgrades: Support the expansion and upgrading of public library facilities.

### **Environmental Review**

A categorical exemption form CEQA per Section 153019(c) for 'Existing Facilities' was filed with Alameda County Recorder's Office for this project on October 2, 2015.

### **Summary of Public Outreach Efforts**

- The Notice to Bidders was published in the Daily Review, the South County Post, Visión Hispana and the World Journal.
- Staff also notified twenty-one builders' exchanges and construction data firms as well

as a list of contractors that asked to be notified of bidding opportunities via email.

- Notices were sent directly to three local carpet companies as well as two other firms who worked on prior City carpeting projects by email.
- The project is described on the Engineering and Transportation Department website.
- Two mandatory pre-bid meetings were held on September 12 and 13, 2016. The intent of these meetings was to inform bidders of the project details including the City's Local Business Preference Ordinance.

**Fiscal Impacts**

Total project cost is estimated to be \$592,000 as follows:

Design and Bid	\$ 14,000
Construction Preparation Tasks	\$ 16,000
<u>CM and Inspection</u>	<u>\$ 18,221</u>
Sub Total (Design, Prep & CM)	\$ 48,221
Construction	\$517,885
<u>Construction Contingency</u>	<u>\$ 25,894</u>
Total	<u>\$592,000</u>

**Budget Authority**

This project construction will be funded as follows:

<u>Account No.</u>	<u>Resolution, Appropriation Date</u>	<u>Amount</u>
210-38-372	Res. 2015-100, FY 2015-16	\$542,000

Additional appropriation requested from City Council as follows:

<u>210-38-372</u>	<u>General Fund</u>	<u>\$50,000</u>
Total Project Appropriation		\$592,000

**ATTACHMENT(S)**

**Attachment(s) to Staff Report**

- *Bid Summary*
- *Negotiated Contract Costs*

**PREPARED BY:** Mark Goralka, Associate Engineer, Engineering and Transportation Department

# BID SUMMARY



This document is a summary of bids received for the subject project and are provided only as a convenience. Listing of a particular bid is not a finding that such bid has been found to be responsive or accepted as complete by the City. An award of contract, if any, is subject to approval of the City Council and/or the City Manager. Contractors should refer to the contract documents for bidding information.

PROJECT TITLE: Main Library Carpet Replacement  
 PROJECT NO.: 2014.0370  
 BID NO.: 16-17.002

BID OPENING			ENGINEER'S ESTIMATE		Century Carpet	
DATE: Thursday, September 22, 2016			Date Approved: 9/20/2016		703 A Street	
TIME: 3:00 p.m.			Prepared by: M. Goralka		Hayward, CA 94541	
LOCATION: City Clerk's Office					Phone: (510) 886-7555	
						Fax: (510) 886-7577
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
<b>BASE BID</b>						
1	Mobilization and General Conditions per Section 9-3.4	1 LS	\$35,000.00	\$35,000.00	\$10,000.00	\$10,000.00
2	Demolition per Sections 318-2.4.2 and 318-3.2.2	1 LS	\$55,600.00	\$55,600.00	\$24,000.00	\$24,000.00
3	Carpet Tile per Section 318-2	1 LS	\$334,000.00	\$334,000.00	\$409,000.00	\$409,000.00
4	Rubber Base per Section 318-2.4.4 and 318-3.2.5	1 LS	\$12,500.00	\$12,500.00	\$18,000.00	\$18,000.00
5	Carpet Tile 'Attic' Stock per Section 318-2	10000 SF	\$3.00	\$30,000.00	\$4.80	\$48,000.00
<b>TOTAL BASE BID:</b>				<b>\$467,100.00</b>	<b>\$509,000.00</b>	
<b>BID ALTERNATE A</b>						
A1	Resilient Flooring (additional cost) per Section 318-3	6500 SF	\$4.00	\$26,000.00	\$9.00	\$58,500.00
A2	Paint Accent Walls per Section 310	1 LS	\$18,000.00	\$18,000.00	\$18,500.00	\$18,500.00
<b>TOTAL BID ALTERNATE A:</b>				<b>\$44,000.00</b>	<b>\$77,000.00</b>	
<b>TOTAL BASE BID:</b>				<b>\$467,100.00</b>	<b>\$509,000.00</b>	
<b>TOTAL BASE BID + ALTERNATE BID ITEM A:</b>				<b>\$511,100.00</b>	<b>\$586,000.00</b>	

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<b>BID OPENING</b>		<b>ENGINEER'S ESTIMATE</b>		Century Carpet		
DATE: Thursday, September 22, 2016		Date Approved: 9/20/2016		703 A Street		
TIME: 3:00 p.m.		Prepared by: M. Goralka		Hayward, CA 94541		
LOCATION: City Clerk's Office				Phone: (510) 886-7555		
				Fax: (510) 886-7577		
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
SUBCONTRACTORS:				Romano's Painting & Paper Hanging, Inc.		
SECURITIES:				Crown Worldwide Moving and Storage		
NOTES:				10% Bid Bond		
				** Addenda #1-2 Received		

Reviewed by:  Date: 9/22/16  
 Mark Goralka, Project Manager

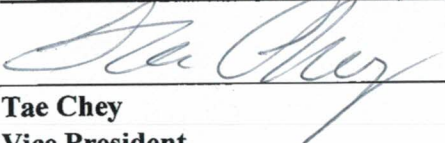
Reviewed by:  Date: 9/22/16  
 Austine Osakwe, Senior Engineer

**CENTURY CARPET REVISED CONTRACT PRICE SCHEDULE  
FOR  
MAIN LIBRARY RECARPETING  
Project Number 2014.0370  
25-Oct-16**

ITEM	DESCRIPTION	ORIGINAL BID, Opening on 9/22/2016				NEGOTIATED BID			
		QTY	UNIT	UNIT PRICE	AMOUNT	QTY	UNIT	UNIT PRICE	AMOUNT
1	Mobilization and General Conditions	1	LS	\$10,000.00	\$10,000.00	1	LS	\$9,215.02	\$9,215.02
2	Demolition - flooring (incl. base)	1	LS	\$24,000.00	\$24,000.00	1	LS	\$22,116.04	\$22,116.04
3	Carpet Tile	1	LS	\$409,000.00	\$409,000.00	1	LS	\$376,894.20	\$376,894.20
4	Rubber Base	1	LS	\$18,000.00	\$18,000.00	1	LS	\$16,587.03	\$16,587.03
5	Additional Carpet Tile 'Attic' Stock	10,000	SF	\$4.80	\$48,000.00	5,000	SF	\$4.42	\$22,117.08
SUBTOTAL CONSTRUCTION (BASE BID)					\$509,000.00	\$446,929.37			
ADDITIVE ALTERNATE A									
A1	Resilient Flooring (Additional Cost)	6,500	SF	\$9.00	\$58,500.00	6,500	SF	\$8.29	\$53,907.85
A2	Paint Accent Walls	1	LS	\$18,500.00	\$18,500.00	1	LS	\$17,047.78	\$17,047.78
SUBTOTAL ADDITIVE ALTERNATE A					\$77,000.00	\$70,955.63			

**TOTAL CONSTRUCTION (BASE + ADDITIVE ALTERNATE A)      \$586,000.00      \$517,885.00**

**I hereby acknowledge and accept the above price schedule revisions to Century Carpet's bid dated 9/22/16 for this project:**

  
**Tae Chey**  
**Vice President**  
**Century Carpet**

10-26-16  
**Date**



# City of San Leandro

Meeting Date: November 7, 2016

## Resolution - Council

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**File Number:** 16-521

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Chris Zapata  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** RESOLUTION to Award a Construction Contract to Century Carpet, Inc., Authorization for the City Manager to Negotiate and Approve Individual and Cumulative Change Orders Up to 5% of the Original Contract Amount and City Council Approval To Additionally Appropriate \$50,000 for Painting and Resilient Flooring from the General Fund Balance for the Main Library Carpet Replacement Project, Project No. 2014.0370

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WHEREAS, the City of San Leandro did, on September 22, 2016, publicly open, examine and declare all sealed proposals or bids for doing the work described in the bid documents for the subject project; and

WHEREAS, said proposals were submitted to the Engineering and Transportation Director who has found that the proposal hereinafter mentioned is the lowest responsive bid by a responsible bidder for doing said work; and

WHEREAS, the Engineering and Transportation Director negotiated in good faith with the sole bidder to reduce the original bid price from \$586,000 to \$517,885.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That said City Council hereby rejects all of said proposals or bids except that herein mentioned; hereby waives any irregularities in the proposal or bid of the lowest responsible bidder; and hereby awards the negotiated contract for doing said work to the lowest responsible bidder therefore, to wit Century Carpet, Inc., in the amount of \$517,885; and

That the City Manager or his designee is authorized to negotiate and approve individual and cumulative change orders up to a maximum of 5% of the original contract amount, or \$25,894; and

That \$50,000 is hereby appropriated from General fund balance to account 210-38-372.