



Legislation Text

File #: 20-092, **Version:** 1

Staff Report for a City of San Leandro City Council Resolution to Award a \$912,289 Construction Contract to McNely Construction Co. for the Boys and Girls Club Pool Resurfacing, Project No. 2018.3400; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$45,614) of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders Up to 15% (or \$136,843) of the Original Contract Amount; and to Appropriate Additional Funding of \$975,000 from the General Fund Balance for the Project

SUMMARY AND RECOMMENDATIONS

This contract will provide for the replacement of plumbing, pool deck, coping, tiling, and mechanical room equipment in addition to resurfacing the pool at the Boys and Girls Club, located at 401 Marina Blvd.

Staff recommends the following actions:

- Award of a construction contract to McNely Construction in the amount of \$912,289;
- Authorize the City Manager to negotiate and approve individual change orders up to 5%, or \$45,614, of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value not to exceed 15%, or \$136,843, of the original contract amount; and
- Appropriate \$975,000 from the General Fund balance for the project.

BACKGROUND

The City's Pool at the Boys and Girls Club is the only indoor and year-round pool owned by the City. It has been closed since December 2017 due to a large leak in the pool's plumbing as well as mandates from the Alameda County Health Department to resurface the pool. Due to the closure, patrons have been swimming year-round at the Family Aquatic Center in Washington Manor Park, which is an outdoor pool.

This construction contract includes plumbing, deck drains, tile, coping and resurfacing of the pool. The project also includes relocation of the mechanical equipment in the pump room to allow for a secure and safe space for chemical storage that will have access restricted to pool staff only and eliminate the mechanical room space being shared with the Boys and Girls Club for storage of their supplies. The project will also install ultra-violet (UV) filtration to reduce the amount of chemicals required to treat the pool water and to decrease the smell of chlorine that is common with indoor pools. To address the Americans with Disabilities Act (ADA) needs of the pool facility, this contract will also replace the entire pool deck slab to provide appropriate surface slopes for everyone's safety.

The UV filtration and replacement of the deck and deck drain system are additions to the original project scope. The approximate combined cost of these additions is \$450,000.

Concurrent with this work the San Leandro Boys and Girls Club facility is also going through a renovation, and staff has been working closely with the Boys and Girls Club construction team to ensure minimum conflicts between the two projects.

Analysis

Bids were opened on March 5, 2020. A total of 4 bids were received ranging from \$495,000 to \$1,097,381. The pre-bid engineer's estimate is \$556,413. The low bidder, USA Pools of CA's bid was deemed non-responsive for failure to provide a bid bond with a surety listed in the US Department of Treasury's Circular 570, per contract section 2-4.

Staff verified that the apparent second low bid submitted by McNely Construction has a valid bond and license with the Contractors State License Board and is registered with the California Department of Industrial Relations. McNely Construction has an office in San Leandro that would qualify it as a local business per the Local Inclusion Policy Ordinance.

This project is not subject to the provisions of the Community Workforce Agreement (CWA) because the contract value is below \$1,000,000.

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 facilities for the City, staff requests that the City Council authorize the City Manager, or his designee, to negotiate and approve individual change orders up to 5% of the original contract amount (\$45,614) and change orders up to a cumulative value of 15% of the original contract amount (\$136,843).

The work will be funded through existing appropriations from the General Fund, as well as additional funding requested herein. Additional funding for the project is a one-time cost that will be appropriated from the General Fund (Fiscal Year 2019 budget surplus) that has been earmarked from a FY2018-19 annual surplus for overages on Capital Improvement projects. A portion of the requested funds will be offset by a transfer of funds in the amount of \$100,000 from the Manor Park Front Play Area project to the General Fund balance as that project was funded by a Kaboom Playground grant and those funds are no longer needed for their original purpose. Without additional funding, the project will not have sufficient funds for completion of its construction.

Current Agency Policies

- Maintain and enhance San Leandro's infrastructure

Applicable General Plan Policies

- Goal OSC-1: Maintain and improve San Leandro's parks and recreational facilities.
Policy OSC-1.4: Priority on Renovation

Permits

- Alameda County Health Department approval was obtained for this project.
- A City of San Leandro building permit was obtained for this project.

Environmental Review

This project is categorically exempt per California Environmental Quality Act (CEQA) Section 15301 (c) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder's Office on June 1, 2018.

Summary of Public Outreach Efforts

- This project was advertised in the East Bay Express on February 7, 2020 as well as in three other newspapers with circulations that reflect the diversity of San Leandro.
- Staff notified contractors interested in working with the City via email and sent plans to local plan rooms.

Fiscal Impacts

The estimated total project costs, including design, construction, construction management and contingency are estimated to be as follows:

Design and Bid:	\$130,000
Construction Contract	\$912,289
Construction Management & Inspection:	\$90,000
<u>Construction Contingency</u>	<u>\$192,711</u>
	\$1,325,000

Budget Authority

The project is funded as follows:

<u>Account No.</u>	<u>Source</u>	<u>Reso/Budget Year</u>	<u>Amount</u>
<u>210-62-125</u>	<u>General Fund</u>	<u>FY 17-18</u>	<u>\$350,000</u>
	Total Current Appropriation		\$350,000

Appropriation requested by this action from General Fund:

<u>Account No.</u>	<u>Source</u>	<u>Amount</u>
210-62-126	General Fund	\$975,000
	Total Budget	\$1,325,000

ATTACHMENT

- Bid Summary

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