

2.36 Report on Bids and Award of Contract for the 9414 – Camden Community Center Improvements Project.

Recommendation:

(a) Report on bids and award of a contract for the construction of 9414 – Camden Community Center Improvements Project to the lowest responsive, responsible bidder, City Building, Inc., for the base bid and Bid Alternate Nos. 1, 2, and 3 in the amount of \$4,599,178; and

(b) Approve a 15% contingency in the amount of \$689,877.

CEQA: Categorically Exempt, File No. ER24-070. CEQA Guidelines Section 15301, Existing Facilities. Council District 9. (Public Works)



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch

SUBJECT: SEE BELOW

DATE: May 28, 2024

Approved

Date

6/7/24

COUNCIL DISTRICT: 9

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 9414-
CAMDEN COMMUNITY CENTER IMPROVEMENT PROJECT**

RECOMMENDATION

- a) Report on bids and take appropriate action based on evaluation of bids for 9414 – Camden Community Center Improvements Project; and
- b) Approve a 15% contingency if City Council awards a construction contract.

SUMMARY AND OUTCOME

Tenant improvements are planned at the Camden Community Center (**Attachment** - Location Map - 9414 - Camden Community Center Improvements Project) to ensure its readiness as a shelter ready site during a disaster event.

A supplemental memorandum to City Council, due for submission in the week of June 11, 2024, will summarize the bids received for the 9414 – Camden Community Center Improvements Project (Project) and will make a recommendation for award of the contract. Award of the contract will enable the Project to proceed with construction to allow for the community center to be used as a shelter during times of disaster. Approval of a 15% contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the Project.

BACKGROUND

On November 6, 2018, the voters of San José passed ballot Measure T- The Disaster Preparedness, Public Safety, and Infrastructure Bond with over 70% of the electorate voting yes. The measure authorizes the City to issue up to \$650 million in general obligation bonds for

infrastructure projects. Among the Measure T program, approximately \$13 million is allocated to the Community Center/Emergency Shelters program.

The City's Emergency Operation Plan includes the topic of extended emergency operations, which encompasses the coordination of mass care and shelter facilities. These facilities are designed to provide basic human needs under emergency situations, including food, water, shelter, and security. In 2019, staff prepared the "City of San José Shelter Ready Study." The study's objective was to determine the feasibility of converting the existing community centers to be used as temporary emergency shelters during a disaster. The team assessed the existing community centers to determine what essential needs or upgrades were required at each site in order for it to be considered as an American Red Cross Shelter Ready site.

First, staff determined the number of people that could be served at each location during a disaster. Two response scenarios were evaluated in estimating the population that can be served: 1) daytime programs such as feeding or local assistance centers; and 2) overnight sheltering capacity. The evaluation considered only the capacity of those portions of the buildings that would be used for sheltering and did not consider any space outside the structures that may be used for temporary shelters.

Following the assessment of building capacity, the team evaluated each building (except for Willow Glen Community Center) using the American Red Cross Sheltering Handbook (May 2012) and Federal Emergency Management Agency 453 Risk Management Series Design Guidance for Shelters and Safe Rooms (May 2006). The portions of each community center that could be used as a shelter were evaluated against the requirements for emergency shelter ready sites.

As a result, 10 community centers were selected to be shelter ready sites: Almaden, Bascom, Berryessa, Camden, Cypress, Evergreen, Mayfair, Roosevelt, Southside, and Seven Trees.

To determine the prioritization, the Parks, Recreation, and Neighborhood Services Department evaluated each community center using an equity screening. For this evaluation, staff identified the percentage of the population living in poverty and the population density in a one-mile radius surrounding each community center. Recognizing that in some circumstances, sheltering or providing services outdoors may be needed, staff additionally considered which locations have a park adjacent to the building.

Based on this information, four priority groupings were formed as follows:

Priority 1 – Roosevelt, Mayfair, Bascom, and Seven Trees Community Centers;

Priority 2 – Camden Community Center;

Priority 3 - Evergreen, Almaden, and Berryessa Community Centers; and

Priority 4 – Cypress and Southside Community Centers.

The Roosevelt, Mayfair, Bascom, and Seven Trees Community Centers were ranked higher in the equity screening and prioritized as the first grouping. However, even though Camden Community Center was low on the list of equity screening, it was prioritized second because it is the most used site in an emergency and requires the most improvements. Camden Community

Center also serves as the Parks, Recreation, and Neighborhood Services Department's operations center for disaster response. Cypress and Southside Community Centers were placed lower based on the possibility that these sites were being considered for potential public-private partnership arrangements.

The Project scope includes improvements to the Priority 2, Camden Community Center, to meet the essential requirements of an Emergency Shelter Ready Site per the American Red Cross Sheltering Handbook requirement (May 2012) and the Federal Emergency Management Agency 453 Risk Management Series – Design Guidance for Shelter and Safe Rooms (May 2006). Improvements include the Americans with Disabilities Act improvements in areas of work, backup power readiness and temporary lighting in the gymnasium, and heating, ventilation, and air conditioning unit replacements with new supply and return ducts.

In addition to the shelter ready scope of work, the Parks, Recreation, and Neighborhood Services Department has elected to implement changes beyond shelter readiness, including the reconfiguration of the kitchen layout to enhance efficiency and accommodate additional appliances needed to serve the community's needs and roofing replacement of Buildings C, D, and E due to the exceeded lifespan of their warranties and nonrepairable conditions.

Camden Community Center will serve as the Parks, Recreation, and Neighborhood Services Department's operation center under an emergency. To accommodate this function, the existing multipurpose room will be expanded with the demolition of an unused storage space, an existing storage room will be converted into a server room, and a laundry room will be added.

ANALYSIS

On May 9, 2024, the City opened bids for the Project. A notice of intent to award to the apparent low bidder was posted on May 20, 2024. A protest period of five business days is required following the date the notice is be issued.

A supplemental memorandum to City Council will be issued the week of June 11, 2024, after the protest period concludes, and will include a report on bids, the name of the contractor staff recommends awarding to, the award amount, and any budget actions necessary to ensure that funding is available to award the contract.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 15% on public works contracts involving the renovation of a building or buildings. The standard 15% contingency is appropriate for this Project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance will review bidders for compliance with the City's Wage Theft Prevention Policy. The findings will be reported in the supplemental memorandum to the City Council.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this Project because the Engineer's Estimate is over \$1.22 million.

EVALUATION AND FOLLOW-UP

A supplemental memorandum to City Council due for submission on the week of June 11, 2024, after the protest period concludes.

COST SUMMARY/IMPLICATIONS

The total contract award for the Project will be included in the supplemental memorandum and the total project cost table below will be updated with actual costs. This Project supports the Neighborhood Services City Service Area goal to extended emergency operations, including the coordination of mass care and shelter facilities. The construction of the Project will prepare the community center to be a shelter ready site during a disaster. The source of funding for this Project is through the Public Safety and Infrastructure Bond. This work to be completed as part of this Project will have no net operating and maintenance costs.

1. TOTAL ESTIMATED COST OF PROJECT:

| | |
|------------------------------------------------|--------------------|
| Project Delivery* | \$1,497,945 |
| Engineer's Estimate | 4,951,231 |
| Contingency (based on Engineer's Estimate) | 742,685 |
| TOTAL ESTIMATED PROJECT COSTS | \$7,191,861 |
| Prior Years' Expenditures and Encumbrances | 550,987 |
| TOTAL REMAINING ESTIMATED PROJECT COSTS | \$6,640,874 |

* Project delivery includes \$595,784 for design services and \$902,161 for construction management and inspection services.

HONORABLE MAYOR AND CITY COUNCIL

May 28, 2024

Subject: Report on Bids and Award of Contract for the 9414-Camden Community Center Improvement Project

Page 5

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memorandum and remaining Project costs, including project delivery, construction, and contingency costs.

| Fund # | Appn # | Appn. Name | Total Appn | Rec. Budget Action | 2024-2025 Proposed Capital Budget Page* | Last Budget Action (Date, Ord. No.) |
|--------|--------|--------------------------------------------------|-------------|--------------------|-----------------------------------------|-------------------------------------|
| 498 | 418K | Measure T – Community Centers/ Emergency Centers | \$6,000,000 | N/A | 457 | N/A |

* The 2024-2025 Capital Budget is scheduled to be adopted by City Council on June 18, 2024. The 2024-2025 Proposed Capital Budget and the 2025-2029 Capital Improvement Program allocated \$7.6 million for this project, with \$6.0 million allocated in 2024-2025 and \$1.6 million allocated in 2025-2026. Should it be determined that the spending plan must be accelerated, staff will return with budget actions for City Council approval during the budget process.

COORDINATION

This memorandum has been coordinated with the City Attorney’s Office, the City Manager’s Budget Office, the Parks, Recreation, and Neighborhood Services Department, and the Planning, Building, and Code Enforcement Department.

PUBLIC OUTREACH

This memorandum will be posted on the City’s Council Agenda website for the June 18, 2024 City Council meeting and the supplemental memorandum will be posted during the week of June 11, 2024.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER24-070. CEQA Guidelines Section 15301, Existing Facilities.

HONORABLE MAYOR AND CITY COUNCIL

May 28, 2024

Subject: Report on Bids and Award of Contract for the 9414-Camden Community Center Improvement Project

Page 6

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

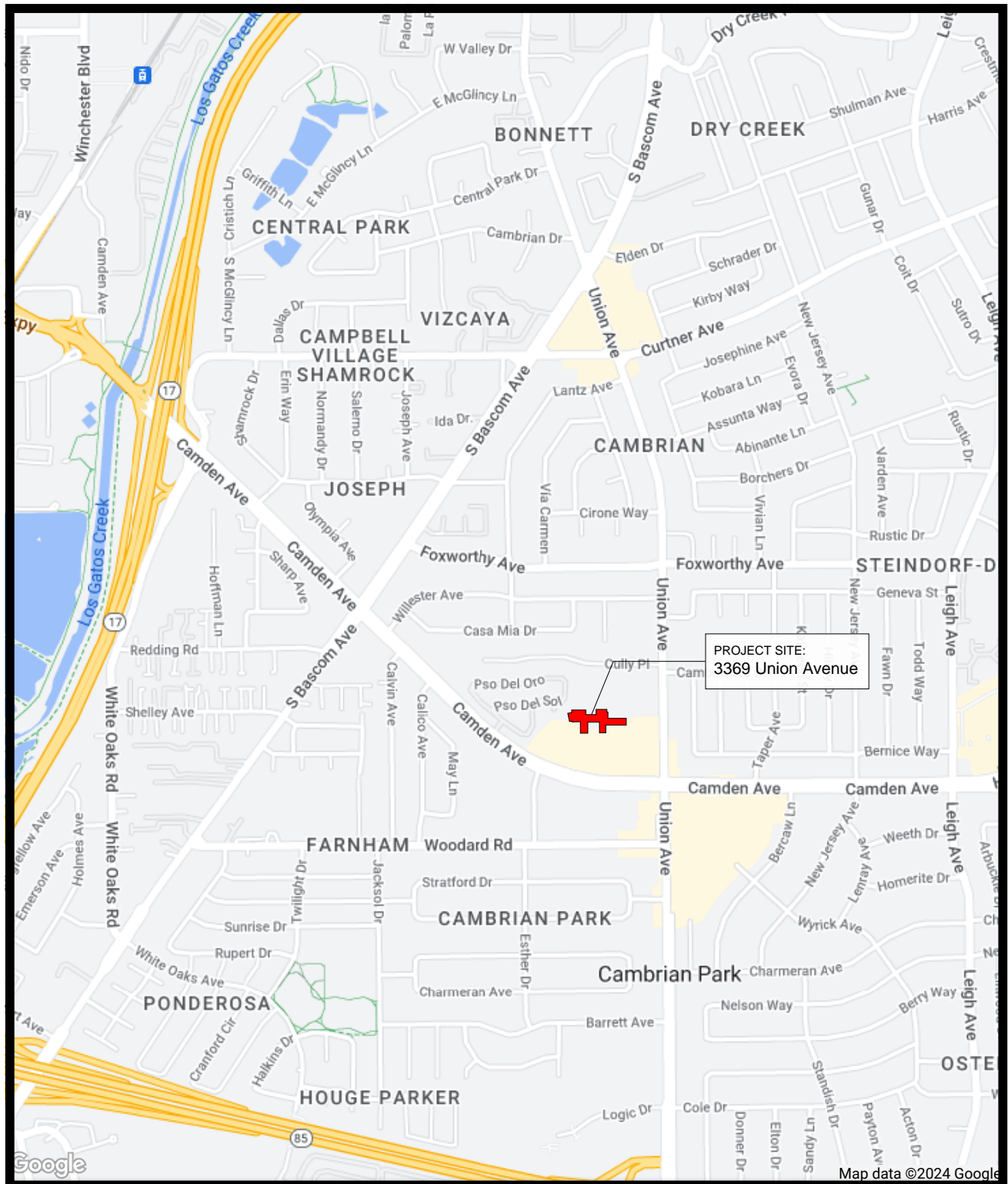
MATT LOESCH

Director of Public Works

For questions, please contact Sal Kumar, Deputy Director of Public Works, at sal.kumar@sanjoseca.gov

ATTACHMENT: Location Map - 9414 - Camden Community Center Improvements Project

Attachment
Location Map – 9414-Camden Community Center Improvements Project



9414-Camden Community Center Improvements Project
NOT TO SCALE





Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Loesch

SUBJECT: SEE BELOW

DATE: June 11, 2024

Approved

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6/13/24

COUNCIL DISTRICT: 9

SUPPLEMENTAL

**SUBJECT: REPORT ON BIDS AND AWARD OF CONTRACT FOR THE 9414 -
CAMDEN COMMUNITY CENTER IMPROVEMENTS PROJECT**

REASON FOR SUPPLEMENTAL

To provide additional information obtained after bids were opened.

RECOMMENDATION

- a. Report on bids and award of a contract for the construction of 9414 – Camden Community Center Improvements Project to the lowest responsive, responsible bidder, City Building, Inc., for the base bid and Bid Alternate Nos. 1, 2, and 3 in the amount of \$4,599,178; and
- b. Approve a 15% contingency in the amount of \$689,877.

BACKGROUND

A memorandum dated May 28, 2024 was forwarded to City Council for the June 18, 2024 Council meeting. This supplemental memorandum provides additional information obtained after the bid opening of the 9414 - Camden Community Center Improvement Project (Project).

Three bid alternates were also considered for the inclusion of the Project:

Bid Alternate No. 1: Provide laundry room.

Bid Alternate No. 2: Replace existing gymnasium lights with energy efficient lighting.

Bid Alternate No. 3: Provide backup power to the fire alarm control panel and intermediate distribution frame.

ANALYSIS

Bids were opened on May 9, 2024, with the following results:

| <u>Contractor</u> | <u>Base Bid</u> | <u>Bid Alt Total</u> | <u>Total Bid</u> | <u>Variance Amount</u> | <u>Over/ (Under) Percent</u> |
|------------------------------------------------------------------------------|------------------------|---------------------------------|-------------------------|-----------------------------------|---------------------------------------------|
| Paragon Mechanical Inc. (Mogan Hill) <i>(non-responsive)</i> | \$215,340 | 0 | 0 | 0 | (95) |
| City Building Inc. (San Mateo) | \$4,305,824 | \$293,354 | \$4,599,178 | (\$480,322) | (10) |
| Rodan Builders Inc. (Hayward) | \$4,256,500 | \$352,950 | \$4,609,450 | (\$470,050) | (9) |
| Strawn Construction Inc. (San Jose) | \$4,265,000 | \$486,255 | \$4,751,255 | (\$328,245) | (7) |
| D.L. Falk Construction (Hayward) | \$4,361,000 | \$410,000 | \$4,771,000 | (\$308,500) | (6) |
| W. E. Lyons Construction Co. (Walnut Creek) <i>(non-responsive)</i> | \$4,493,305 | \$313,300 | \$4,806,605 | (\$272,895) | (5) |
| Engineer's Estimate | \$4,952,000 | \$127,500 | \$5,079,500 | - | - |
| California Plus Engineering, Inc (Campbell) <i>(non-responsive)</i> | \$5,080,000 | \$205,000 | \$5,285,000 | \$205,500 | 4 |
| S&H Construction (Fremont) <i>(non-responsive)</i> | \$5,168,600 | \$279,000 | \$5,447,600 | \$368,100 | 7 |

June 11, 2024

Subject: Report on Bids and Award of Contract for the 9414 - Camden Community Center Improvements Project

Page 3 of 6

Bid Alternates

| <u>Contractor</u> | <u>Bid Alternate No. 1</u> | <u>Bid Alternate No. 2</u> | <u>Bid Alternate No. 3</u> |
|------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Paragon Mechanical Inc. (Mogan Hill) | No Bid | | |
| City Building Inc. (San Mateo) | \$89,286 | \$192,080 | \$11,988 |
| Rodan Builders Inc. (Hayward) | \$131,800 | \$205,350 | \$15,800 |
| Strawn Construction Inc. (San Jose) | \$190,355 | \$278,850 | \$17,050 |
| D.L. Falk Construction (Hayward) | \$180,000 | \$192,000 | \$38,000 |
| W. E. Lyons Construction Co. (Walnut Creek) | \$143,235 | \$160,565 | \$9,500 |
| Engineer's Estimate | \$35,000 | \$80,000 | \$12,500 |
| California Plus Engineering, Inc (Campbell) | \$85,000 | \$105,000 | \$15,000 |
| S&H Construction (Fremont) | \$128,000 | \$138,000 | \$13,000 |

In addition to the base bid scope of work, Bid Alternates Nos. 1, 2, and 3 are recommended for award.

Bid Price Analysis

Section 3-1.01D of the City of San José Special Provisions (Bid Alternate) specifies how the City will determine the low bid when bid alternates are included. The section requires the City to determine the low bid by adding each of the bid alternate to the base bid in ascending numerical sequence until a total is reached to which no further bid alternate bids may be added without exceeding \$4,964,500.

Paragon Mechanical, Inc. did not submit a bid for the entire project and, as such, their bid was deemed non-responsive. The bids from W.E. Lyons Construction Co. and S&H Construction were deemed non-responsive for failing to meet the City's experience requirements. S&H Construction's bid was also deemed non-responsive for failing to submit required California Air Resources Board In-Use Off-Road Diesel-Fueled Certificates of Reported Compliance for itself and its subcontractors. California Plus Engineering, Inc.'s bid was deemed non-responsive for failing to submit a required form.

The low bid submitted by City Building Inc. to include the base bid and bid alternates is in the amount of \$4,599,178 and is approximately 10% below the Engineer's Estimate. A thorough bid analysis was performed by the design consultant and City staff. The bid submitted by City Building Inc. is considered acceptable for the work involved in the Project and current market conditions.

Contractor Responsibility Analysis

City Building, Inc. has one ongoing project under construction for the City of San José. In addition, staff conducted a reference check on a recently completed tenant improvement project at San Francisco Public Utilities Commission Railroad Roundhouse in San Francisco and concluded that the contractor possesses the experience necessary for this project.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 15% on public works contracts involving the renovation of a building or buildings. The standard 15% contingency is appropriate for this Project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on May 9, 2024, and again on May 14, 2024. No wage theft issues were identified.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this Project because the Engineer's Estimate is over \$1.22 million.

Local and Small Business Analysis

The recommended contractor is not a local business enterprise. However, several local business enterprises are listed as subcontractors on this project: California Roofing Co. Inc. (San José) will be performing roof work valued at approximately \$460,000. Blue Arc Electric (San José) will be performing electrical work valued at approximately \$750,000. Future Flooring Group (San José) will be performing flooring work valued at approximately \$10,000. Axis Mechanical (San José) will be performing HVAC work values at approximately \$770,000.

Construction is scheduled to begin in August 2024, with anticipated completion in May 2025.

COST SUMMARY/IMPLICATIONS

This Project supports the Neighborhood Services City Service Area goal to extended emergency operations, including the coordination of mass care and shelter facilities. The construction of the Project will prepare the community center to be a shelter ready site during a disaster. The source of funding for this Project is the Public Safety and Infrastructure Bond. This Project is expected to have no net operating and maintenance costs.

1. TOTAL COST OF PROJECT:

| | |
|--------------------------------------------|--------------------|
| Project Delivery* | \$1,497,945 |
| Construction | 4,599,178 |
| Contingency | 689,877 |
| TOTAL PROJECT COSTS | \$6,787,000 |
| Prior Years' Expenditures and Encumbrances | (550,987) |
| TOTAL REMAINING PROJECT COSTS | \$6,236,013 |

* Project delivery includes \$595,784 for design services and \$902,161 for construction management and inspection services.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT:

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| General Requirements | \$650,620 |
| Allowances: site and off-site utility, emergency erosion control, signage, Fire Department permit and inspection fees | 80,000 |
| Existing conditions, concrete, metals, wood, plastics, composites, thermal and moisture protection, openings, finishes, specialties, equipment, conveying equipment, fire suppression, plumbing, mechanical, electrical, generator, communications, electronic safety and security earthwork, and exterior improvements. | 3,575,204 |
| Bid alternate No.1: Laundry room | 89,286 |
| Bid Alternate No.2: Replace gymnasium area lights | 192,080 |
| Bid Alternate No.3: Provide backup power to fire alarm control panel and intermediate distribution frame | 11,988 |
| TOTAL CONSTRUCTION CONTRACT: | \$4,599,178 |

HONORABLE MAYOR AND CITY COUNCIL

June 11, 2024

Subject: Report on Bids and Award of Contract for the 9414 - Camden Community Center Improvements Project

Page 6 of 6

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COORDINATION

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CEQA

Categorically Exempt, File No. ER24-070. CEQA Guidelines Section 15301, Existing Facilities.

/s/

MATT LOESCH
Director of Public Works

For questions, please contact Sal Kumar, Deputy Director of Public Works, at sal.kumar@sanjoseca.gov.

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Page 7 of 6