SAAL WAR

Contra Costa

Costa County

To: Board of Supervisors

From: Steve Silveira, Deputy General Services Director

Date: January 10, 2012

Subject: Award of Construction Trade Contracts for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J for the West County

Health Center Project, San Pablo

# **RECOMMENDATION(S):**

Contact: Rob Lim, (925) 313-7200

- 1. APPROVE the plans, specifications, and design for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J, consisting of site concrete/caulking (5B), flooring (5C), landscaping and irrigation (5G), miscellaneous specialties (5H), and miscellaneous metal phase 2 (5J); and DELEGATE to the Deputy General Services Director, or designee, or to any licensed architect or engineer employed by the County, the authority to approve any design modifications prepared for the above project.
- 2. DETERMINE that Urata & Sons Cement, Inc. ("Urata"), the lowest apparent bidder for Trade Package 5B, consisting of site concrete/caulking for the subject project, made a mistake in filling out its bid and gave timely notice of the mistake, and CONSENT to relieve Urata of the bid because of mistake, pursuant to Public Contract Code Section 5101.
- 3. AWARD a trade contract (Base Bid plus Additive Alternates #1 and #3) in the amount of \$990,510 to Joseph J. Albanese, Inc. ("Albanese"), the lowest responsive and responsible bidder for Trade Bid Package 5B, consisting of site concrete/caulking for the subject project; and DIRECT the Deputy General Services Director, or designee, to prepare the trade contract.

✓ APP	PROVE	OTHER			
▼ RECOMMENDATION OF CNTY ADMINISTRATOR					
Action of	Action of Board On: 01/10/2012 APPROVED AS RECOMMENDED OTHER				
Clerks No	otes:				
VOTE OF S	SUPERVISORS				
AYE:	John Gioia, District I Supervisor				
	Mary N. Piepho, District III Supervisor	I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.			
	Karen Mitchoff, District IV Supervisor	ATTESTED: January 10, 2012			
	Federal D. Glover, District V Supervisor	David Twa, County Administrator and Clerk of the Board of Supervisors			
ABSENT:	Gayle B. Uilkema, District II Supervisor	By: June McHuen, Deputy			

## RECOMMENDATION(S): (CONT'D)

- 4. AWARD a trade contract in the amount of \$423,280 to Golden State Carpet Service, Inc. ("Golden State"), the lowest responsive and responsible bidder for Trade Bid Package 5C, consisting of flooring for the subject project; and DIRECT the Deputy General Services Director, or designee, to prepare the trade contract.
- 5. AWARD a trade contract in the amount of \$466,964 to Shooter and Butts, Inc. ("Shooter and Butts"), the lowest responsive and responsible bidder for Trade Bid Package 5G, consisting of landscaping and irrigation for the subject project; and DIRECT the Deputy General Services Director, or designee, to prepare the trade contract.
- 6. AWARD a trade contract in the amount of \$149,900 to Service Metal Products, Inc. ("Service Metal Products"), the lowest responsive and responsible bidder for Trade Bid Package 5H, consisting of miscellaneous specialties for the subject project; and DIRECT the Deputy General Services Director, or designee, to prepare the trade contract.
- 7. AWARD a trade contract (Base Bid plus Additive Alternate #13) in the amount of \$208,500 to Westco Iron Works ("Westco"), the lowest responsive and responsible bidder for Trade Bid Package 5J, consisting of miscellaneous metals phase 2 for the subject project; and DIRECT the Deputy General Services Director, or designee, to prepare the trade contract.
- 8. DETERMINE that Turner Construction Company ("Turner"), as the Construction Manager At-Risk, has documented an adequate good faith effort to comply with the specifications and the requirements of the County's Outreach Program in connection with the above trade contracts and WAIVE any irregularities in such compliance.
- 9. FURTHER DETERMINE that Albanese, Golden State, Shooter and Butts, Service Metal Products, and Westco, as the lowest responsive and responsible bidders for the above trade contracts, and Turner, as Project Manager, have entered into a Project Labor Agreement with the Contra Costa Building and Construction Trades Council to comply with the requirements of the County's Project Labor Agreement policy.
- 10. DIRECT that Albanese shall submit two good and sufficient surety bonds (performance bond and payment bond) in the amount of \$990,510 and that Albanese and its subcontractors shall sign a Project Labor Agreement for the project.
- 11. DIRECT that Golden State shall submit two good and sufficient surety bonds (performance bond and payment bond) in the amount of \$423,280 and that Golden State and its subcontractors shall sign a Project Labor Agreement for the project.
- 12. DIRECT that Shooter and Butts shall submit two good and sufficient surety bonds (performance bond and payment bond) in the amount of \$466,964 and that Shooter and Butts and its subcontractors shall sign a Project Labor Agreement for the project.
- 13. DIRECT that Service Metal Products shall submit two good and sufficient surety bonds (performance bond and payment bond) in the amount of \$149,900 and that Service Metal Products and its subcontractors shall sign a Project Labor Agreement for the project.
- 14. DIRECT that Westco shall submit two good and sufficient surety bonds (performance bond and payment bond) in the amount of \$208,500 and that Westco and its subcontractors shall sign a Project Labor Agreement for the project.
- 15. ORDER that, after Albanese, Golden State, Shooter and Butts, Service Metal Products, and Westco have signed their respective trade contracts and returned them, together with the bonds, the signed Project Labor Agreement, evidence of insurance, and other required documents, and the Deputy General Services Director has reviewed and found them to be sufficient, the Deputy General Services Director, or designee, is authorized to sign the trade contracts for this Board.
- 16. AUTHORIZE the Deputy General Services Director, or designee, to exonerate any bid bonds posted by the bidders after execution of the above trade contracts.
- 17. AUTHORIZE the Deputy General Services Director, or designee, to sign any escrow agreements prepared for this project to permit the direct payment of retentions into escrow or the substitution of securities for monies withheld by the County to ensure performance under the trade contracts, pursuant to Public Contract Code Section 22300.
- 18. AUTHORIZE the Deputy General Services Director, or designee, to order changes or additions to the work for each trade contract pursuant to Public Contract Code Section 20142.
- 19. DELEGATE, pursuant to Public Contract Code Section 4114, the Board's function under Public Contract Code Sections 4107 and 4110, with regards to subletting and subcontracting, to the Deputy General Services Director, or designee.

- 20. DELEGATE, pursuant to Labor Code Section 6705, to the Deputy General Services Director or to any registered civil or structural engineer employed by the County the authority to accept detailed plans showing the design of shoring, bracing, sloping or other provisions to be made for worker protection during trench excavation covered by that section.
- 21. DECLARE that, should the award of a trade contract to Albanese, Golden State, Shooter and Butts, Service Metal Products, or Westco be invalidated for any reason, the Board would not in any event have awarded the contract to any other bidder, but instead would have exercised its discretion to reject all of the bids received for the affected trade. Nothing herein shall prevent the Board from re-awarding a trade contract to another bidder in cases where the successful bidder establishes a mistake, refuses to sign the trade contract, or fails to furnish required bonds or insurance in accordance with Public Contract Code Sections 5100-5107.

## FISCAL IMPACT:

The estimated total project cost is \$45 million. Funding in the amount of \$12 million is from a federal Health Resources and Services Administration ("HRSA") grant, provided under the American Recovery and Reinvestment Act of 2009. The remaining balance of \$33 million will be provided through bond financing and dedicated revenue within the Hospital Enterprise Fund.

#### BACKGROUND:

The West County Health Center ("WCHC") project involves constructing a new 2-story, 53,000-square-foot health center in San Pablo. The new WCHC will serve the region by providing outpatient and ancillary services in a modern and efficient facility. In addition, a new 315-stall, 3-level parking structure will be built adjacent to the WCHC. The "Construction Manager At-Risk" ("CM At-Risk") project delivery method is being utilized on the project. Utilizing this method involves overlapping multiple design and construction phases in order to fast-track the project. With the CM At-Risk project delivery method, multiple trade bid packages (e.g., earthwork, piles, concrete, framing, mechanical, and electrical) are developed and issued for bidding. Twenty trade contracts (for earthwork phase 1, pile foundations, general requirements work, structural steel and metal decking, concrete, elevators, miscellaneous metals/stairs, curtain wall, drywall/plaster, fire protection, plumbing, mechanical, electrical, site utilities, roofing/waterproofing/architectural sheet metal, earthwork phase 2, millwork, doors/frames/hardware, acoustical ceilings, and painting) have already been awarded by the Board. Additional trade bid packages for site concrete/caulking, flooring, landscape and irrigation, miscellaneous specialties, and miscellaneous metals phase 2 were subsequently developed and issued for bidding.

Bids were received for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J and opened by the General Services Department on December 1, 2011. The bid results for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J are as follows:

Bidder (Trade Bid Package 5B)	Base Bid + Additive Alternates to be awarded (#1 & #3)
Joseph J. Albanese, Inc., Santa Clara	\$990,510
Urata & Sons Cement, Inc., Rancho Cordova (bid withdrawn)	\$649,132
Roebbelen Construction, El Dorado Hills	\$993,969
R.E. Maher, Inc., American Canyon	\$998,900
Ghilotti Brothers, Inc., San Rafael	\$1,076,277

Bidder (Trade Bid Package 5C)	Base Bid
Golden State Carpet Service, Concord	\$423,280
B.T. Mancini Company, Inc., Milpitas	\$441,181
Hoem and Associates, South San Francisco	\$484,955.20
Anderson Carpet, Inc., Oakland	\$516,300

Bidder (Trade Bid Package 5G)	Base Bid
Shooter and Butts, Inc., Pleasanton	\$466,964
Jensen Corporation, San Jose	\$518,888
GSL Construction, Livermore	\$550,914
Valleycrest Landscape Development, Inc., Santa Clara	\$597,777

\$738,985	
Base Bid	
\$149,900	

Bidder (Trade Bid Package 5J)	Base Bid + Additive Alternate to be awarded (#13)
Westco Iron Works, San Jose	\$208,500
Concord Iron Works, Inc., Pittsburg	\$299,730
Kwan Wo Ironworks, Inc., San Francisco	\$350,600

In addition to the Base Bid scope of work, bidders for Trade Bid Packages 5B and 5J were also required to submit bids on bid alternates that affected them (Additive Alternates #1, #3, #13, and #14 as highlighted in bold below). The other bid alternates (Additive Alternates #2, 4 through 12, and 15) were previously bid and do not affect the current Trade Bid Packages, and therefore pricing for these alternates were not required. The various bid alternates are summarized below:

Bid Alternates	Summary Description
Add Alt #1	Connecting canopy between clinic and garage
Add Alt #2	Not applicable to this bid - Trellis on east side of clinic
Add Alt #3	Patient drop-off canopy
Add Alt #4	Not applicable to this bid - Trellis on garage upper level
Add Alt #5	Painting garage stair towers & shear walls
Add Alt #6	Painting garage interior
Add Alt #7	Not applicable to this bid - Lighting at columns & recesses
Add Alt #8	Not applicable to this bid - Lighting on east & west facades
Add Alt #9	Not applicable to this bid - Skylights
Add Alt #10	Not applicable to this bid - Sunshades for south elevation
Add Alt #11	Not applicable to this bid - Elliptical elevator tower
Add Alt #12	Porch Light
Add Alt #13	Low Height Divider Partitions
Add Alt #14	Security Screens at Check-In/Registration
Add Alt #15	Accent Panels Adjust to Exam Room Doors

The Additive Alternates recommended for award include #1, #3, and #13. The total amount for those three Additive Alternates would add \$51,840 to the low Base Bid for Trade Bid Package 5B, and an additional \$58,900 to the low Base Bid for Trade Bid Package 5J. The total added amount of \$110,740 is \$28,740 more than the CM At-Risk's estimate of \$82,000. Additive Alternate #14, consisting of security screens at check-in/registration, is not recommended for award at this time.

For Trade Bid Package 5B, all Base Bids were above the CM At-Risk's Base Bid estimate of \$520,000. Albanese submitted the lowest responsive and responsible bid of \$938,670 (Base Bid only), which is \$18,030 less than the next lowest bid submitted by Roebbelen Construction. The sizable variation between the cost estimate and the actual bids was evaluated by the cost estimating team and it was determined that there were some "premium" items that were not accounted for in the cost estimate, as well as an underestimate on the quantity of baserock. The project team has determined that the bids are in alignment with the scope of work in the bid documents. While the project budget can absorb the cost variation, staff will undertake a "value engineering" process to determine if feasible cost reductions can be realized at a future date. At this time, staff recommends that the trade contract for Trade Bid Package 5B, consisting of site concrete/caulking, be awarded to Albanese and that the award include the Base Bid (\$938,670) plus Additive Alternates #1 and #3 (\$51,840), for a total contract award amount of \$990,510.

For Trade Bid Package 5C, three bids were less than the CM At-Risk's estimate of \$490,000. Golden State submitted the lowest responsive and responsible bid of \$423,280, which is \$17,901 less than the next lowest bid submitted by B.T. Mancini Company, Inc. Staff recommends that the trade contract for Trade Bid Package 5C, consisting of flooring, be awarded to Golden State for a total contract award amount of \$490,000.

For Trade Bid Package 5G, all bids were above the CM At-Risk's estimate of \$315,000. Shooter and Butts submitted the lowest

responsive and responsible bid of \$466,964, which is \$51,924 less than the next lowest bid submitted by Jensen Corporation. The cost estimating team has evaluated the variation between the cost estimate and the low bid and has determined that the estimate was undervalued and that the bids, in general, are in alignment with the bid scope. Staff recommends that the trade contract for Trade Bid Package 5G, consisting of landscaping and irrigation, be awarded to Shooter and Butts for a total contract award amount of \$ \$466,964.

For Trade Bid Package 5H, the only bid submitted was above the CM At-Risk's estimate of \$110,000. Service Metal Products submitted the lowest responsive and responsible bid of \$149,900. The cost estimating team has evaluated the variation between the cost estimate and the low bid and has determined that the estimate was undervalued due to recent additional scope items that were not included in the estimate. The project team has determined that the bid is in alignment with the bid scope and staff recommends that the trade contract for Trade Bid Package 5H, consisting of miscellaneous specialties, be awarded to Service Metal Products for a total contract award amount of \$149,900.

For Trade Bid Package 5J, one Base Bid was less than the CM At-Risk's Base Bid estimate of \$155,000. Westco submitted the lowest responsive and responsible bid of \$149,600 (Base Bid only), which is \$68,780 less than the next lowest bid submitted by Concord Iron Works. Staff recommends that the trade contract for Trade Bid Package 5J, consisting of miscellaneous metals phase 2, be awarded to Westco and that the award include the Base Bid (\$149,600) plus Additive Alternate #13 (\$58,900), for a total contract award amount of \$208,500.

With the CM At-Risk project delivery method, the County contracts directly with the various trade contractors, and Turner, as CM At-Risk, manages the trade contracts with a Guaranteed Fixed Price and Guaranteed Completion Date. With award of the above five trade contracts for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J, the total amount of trade contracts awarded to date is \$23,377,942. Recommendations for the award of other trade contracts will come before the Board at future dates.

The County's CM At-Risk, Turner, has submitted its documentation of good faith efforts to comply with the specifications and requirements of the County's Outreach Program for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J. Staff recommends the Board determine that Turner, as the CM At-Risk, has documented an adequate good faith effort to comply with the requirements of the Outreach Program and that the Board waive any irregularities relating to the various Outreach steps and Turner's documentation.

Pursuant to the County's Project Labor Agreement (PLA) policy, a PLA is required for all trade contracts on this project. Albanese, Golden State, Shooter and Butts, Service Metal Products, and Westco have signed a PLA, which contains a local hire provision consistent with the Disposition and Development Agreement between the City of San Pablo Redevelopment Agency and the County. As a condition of trade contract award, Albanese's, Golden State's, Shooter and Butts', Service Metal Products', and Westco's subcontractors will also be required to sign the PLA.

The general prevailing rates of wages, which shall be the minimum rates paid on this project, are on file with the Clerk of the Board, and copies are available to any party upon request.

# **CONSEQUENCE OF NEGATIVE ACTION:**

Failure to award the trade contracts for Trade Bid Packages 5B, 5C, 5G, 5H, and 5J would delay the project and could potentially result in the WCHC not being fully built and the loss of \$12 million in federal stimulus money.

# CHILDREN'S IMPACT STATEMENT:

Not applicable.