



City of Carson Report to Redevelopment Agency

December 21, 2010
New Business Consent

SUBJECT: CONSIDER AN AWARD OF A CONSTRUCTION CONTRACT TO EBERHARD, INC. FOR PROJECT NO. 1317: CONGRESSWOMAN JUANITA MILLENDER-MCDONALD COMMUNITY CENTER ROOF AND HEATING, VENTILATING AND AIR CONDITIONING REPLACEMENT PHASES II AND III, AND INSTALLATION OF SOLAR PANELS, AND A PORTION OF PROJECT NO. 1318: CONGRESSWOMAN JUANITA MILLENDER-MCDONALD COMMUNITY CENTER REFURBISHMENT AND UPGRADE

Submitted by M. Victor Rollinger
Development Services General Manager

Approved by Jerome G. Groomes
Executive Director

THIS IS A JOINT AGENDA ITEM

I. SUMMARY

Project No. 1317: Congresswoman Juanita Millender-McDonald Community Center Roof and Heating, Ventilating and Air Conditioning Replacement Phases II and III, and Installation of Solar Panels and a portion of Project No. 1318: Congresswoman Juanita Millender-McDonald Community Center Refurbishment and Upgrade is a combined City of Carson Capital Improvement Program (CIP) project in progress (Exhibit No. 1).

On September 7, 2010, the Redevelopment Agency / City Council authorized staff to advertise a Request for Proposal for a Performance Contract and call for bids for this project (Exhibit No. 2). The project was advertised on September 11, 2010. Six bids were received and opened by the Agency Secretary on October 28, 2010.

Pursuant to Government Code §§ 4217.16 *et seq.*, the City Council / Redevelopment Agency is permitted to award this contract to the most qualified and responsive proposer, and is *not* required to award the contract to the lowest monetary proposer. Consistent with state law, it is staffs' considered judgment that the most qualified and responsive proposer is Eberhard, Inc. Staff, therefore, recommends the award of construction contract to Eberhard, Inc. with a bid in the amount of \$4,329,060.00.

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II. RECOMMENDATION

TAKE the following actions:

1. AWARD a Construction Contract for Project No. 1317: Congresswoman Juanita Millender-McDonald Community Center Roof and Heating, Ventilating and Air Conditioning Replacement Phases II and III, and Installation of Solar Panels, and a portion of Project No. 1318: Congresswoman Juanita Millender-McDonald Community Center Refurbishment and Upgrade, in the amount of \$4,329,060.00, to the most qualified and responsive proposer, Eberhard, Inc.
2. AUTHORIZE construction contingencies in the amount of \$649,400.00 (15%) for future change orders, if any, for any unforeseen construction work that may be required to successfully complete this project.
3. APPROPRIATE \$618,000.00 from the unreserved, undesignated Carson Consolidated Project Area fund balance to augment the amount currently budgeted for this project.
4. AUTHORIZE the Agency Chairman to execute the Construction Contract following approval as to form by the Agency Counsel.

III. ALTERNATIVES

1. REJECT all bids.
2. TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

The city's CIP calls for Project No. 1317: Congresswoman Juanita Millender-McDonald Community Center Roof and Heating, Ventilating and Air Conditioning Replacement Phases II and III, and Installation of Solar Panels, and a portion of Project No. 1318: Congresswoman Juanita Millender-McDonald Community Center Refurbishment and Upgrade. The project includes the installation of solar panels and the replacement of four existing air handling units and roofing in the Phases II and III areas of the community center roof. The refurbishment and upgrade in the community center includes:

1. Replacement of chandelier in Hall ABC
2. Replacement of existing marquee
3. Upgrading meeting room audio/visual equipment
4. Replacement of cooling tower
5. Installation of an energy management system for the community center
6. Replacement of expansion tank / water meter

7. Retrofitting parking lot lighting
8. Removal and replacement of various plumbing fixtures
9. Upgrade of lighting occupancy sensor
10. Replacement of existing water heaters with tankless water heaters
11. Replacement of tile, correction of drainage
12. Installation of security cameras
13. Replacement of intercom system

On May 4, 2010, the Redevelopment Agency / City Council approved a Professional Services Agreement with Henrikson Owen Engineers to provide architectural/engineering design services for Project No. 1317: Congresswoman Juanita Millender-McDonald Community Center Roof and Heating, Ventilating and Air Conditioning Replacement Phases II and III, and Installation of Solar Panels, and a portion of Project No. 1318: Congresswoman Juanita Millender-McDonald Community Center Refurbishment and Upgrade.

On September 7, 2010, the Redevelopment Agency / City Council approved the plans, specifications and estimates; ordered the work; and authorized staff to advertise a Request a Proposal for Performance Contract work and call for bids for this project. As explained previously in the workshop conducted for this project, the bid specifications are written in a manner in which several bid items can be deducted if funding is determined to be inadequate when bids are received. In light of the need for a specialized professional contractor to work on this type of Performance Contract project, staff solicited proposals from qualified construction firms by way of a Notice Inviting Proposal. The project was advertised for construction bids and six firms which demonstrated an understanding of the project ultimately submitted their proposals/bids. The proposals/bids were received and opened on October 28, 2010.

A five-member Contractor Selection Committee consisting of representatives from the City of Carson's Landscape and Building Maintenance Division, the Engineering Services Division, the architect, and the performance contracting consultant reviewed the proposals. As allowed by Government Code Section 4217, the basis of the selection and award of contract for a Performance Contract project, if made, was to the highest ranked proposer in accordance with the following criteria:

Criteria	Maximum Score (pts)
a) Proposed price	50
b) Project management approach, project understanding and technical capabilities	10
c) Contractor's qualifications	10
d) Project manager, engineering and key personnel resumes and experience	10
e) Related project references	10
f) Subcontractor(s) qualifications	5
g) Resource availability and commitment	5
TOTAL POSSIBLE SCORE	100

This project is unique in terms of selection of contractor and award of Construction Contract. Unlike the traditional city project in which the responsible proposer is determined by the lowest bid, the proposed price for this project is not the sole criteria in determining the winning bid. As shown on the above table, the maximum points awarded for the lowest price is 50 points; the other 50 points is awarded based on the overall qualifications and experience of the contractor. All of these criteria must be met in order to be considered as the most qualified and responsive proposer.

After the review of the proposals was completed, the results were tallied and a final list of the proposers was generated. Based on the tallied results, it was determined that Eberhard, Inc. is the most qualified in terms of work experience, history and performance on related projects, and met the requirements for the necessary service.

None of the proposals, except for Eberhard, Inc.'s, complied with the general provisions requirement for the contractor to self perform a minimum of 50% of the work. Nevertheless, the evaluation committee reviewed all of the proposals and Eberhard, Inc.'s proposal was unanimously evaluated as the #1 ranked proposal.

Although Eberhard, Inc.'s bid amount is 2.3% higher than the lowest bid amount, Eberhard, Inc.'s overall qualifications and familiarity with the project suggested that they are the most knowledgeable firm and for this and other explained factors, they received the highest ranking. Moreover, Government Code § 4217.16 provides, in relevant part, as follows:

“Prior to awarding or entering into an agreement . . . the public agency may request proposals from qualified persons. After evaluating the proposals, the *public agency may award the contract on the basis of the experience of the contractor, the type of technology employed by the contractor, the cost to the local agency, and any other relevant considerations.*” (Emphasis added.)

Staff determined that Eberhard, Inc. has demonstrated competence and extensive experience on directly related work, and that they would be able to provide the most competent team and would most expeditiously deliver the type of services the city desires. The Eberhard, Inc. team consists of architects, engineers, and the construction crew whose strong team will provide the maximum value in quality, timeliness, program management, and environmental services, as required.

The six submitting firms are listed below in the order in which they were ultimately ranked, with number one being the highest ranked firm:

Rank	Firm	Place of Business	Bid Amount	Score (pts)
1	Eberhard, Inc.	Van Nuys, CA	\$4,329,000.00	87.75
2	Harbor Construction Co. Inc.	Irvine, CA	\$4,684,000.00	70.38
3	2H Construction	Signal Hill, CA	\$4,319,000.00	65.00
4	Air Plus Corporation	Van Nuys, CA	\$4,516,000.00	60.33
5	Angeles Contractor	Buena Park, CA	\$4,374,000.00	56.00
6	Halcyon Electric, Inc.	Placentia, CA	\$4,603,000.00	51.40

A portion of this project is federally funded and is time sensitive; it requires conformance to federal guidelines. Staff believes that it is important to select a firm which has a thorough knowledge of the project that will help expedite the completion process, and will meet the need to complete the construction of the project in a timely manner. These findings were discussed with the City Engineer, for the final selection of the most qualified and responsive contractor.

Staff, therefore, recommends award of this Construction Contract to Eberhard, Inc., which includes the installation of solar panels and the replacement of four existing air handling units and roofing in the Phases II and III areas of the community center roof, and the refurbishment and upgrade in the community center. Eberhard, Inc. is a bona fide contractor licensed by the state

of California and the most qualified and responsive proposer. The bid bond, in the amount of 10% of the total bid, as supplied by Fidelity and Deposit Company of Maryland, under the laws of the state of Maryland, is in order and was submitted with the bid. The contractor's references have been checked, and it has been verified that the contractor has completed similar projects in an acceptable manner.

The accomplished and anticipated timeline for this project is as follows:

Contractor's Notice Inviting Proposal/Bid	September 11, 2010
Bid opening	October 28, 2010
Agency/Council award of Construction Contract	December 21, 2010
Performance Contract full execution	January 15, 2011
Procurement of long lead items	January 16 - April 15, 2011
Start of construction	April 16, 2011
Complete construction	October 2011

V. FISCAL IMPACT

The total construction bid amount for this improvement project is \$4,329,060.00. Considering the architect's professional services fee of \$185,855.00, the staff augmentation cost of \$100,000.00 and the construction management cost of an amount not-to-exceed \$223,798.00, would bring the total cost for this improvement to \$4,838,713.00 and would leave \$31,287.00 from the currently budgeted funding of \$4,870,000.00.

The construction contingency cost for this project is 15% and is calculated to be \$649,400.00. This cost would cover future change orders, if any, and other unforeseen construction work that may be required to complete this project.

In order to cover the construction contingency cost, the budget will need to be increased by approximately \$618,000.00. Funds should be appropriated from the unreserved, undesignated Carson Consolidated Project Area fund balance to account no. 30-70-710-971-8004/0131701. Funds are available to provide for the additional contingency amount to be appropriated and would only be expended, if necessary, during construction for unforeseen conditions or complications. The estimated current balance of the unreserved, undesignated Carson Consolidated Project Area fund is \$44,431,175.00.

If the city would prefer not to appropriate the additional contingency amount, several of the following deductible items may be deducted from the construction contract to reduce the final construction cost:

Deductive Alternate - 1	Retrofitting parking lot lighting	\$110,336.00
Deductive Alternate - 4	Upgrading meeting room audio/visual equipment	201,160.00
Deductive Alternate - 6	Replacement of existing marquee	244,463.00
TOTAL		\$555,959.00

Deducting the above items from the original bid amount would reduce the construction contract to \$3,773,101.00. The overall total improvement cost, including professional services, would be \$4,282,754.00; this would leave \$587,246.00 from the approved budget of \$4,870,000.00, which adequately covers the 15% contingency of \$565,965.00 based on the reduced construction cost.

The previously approved budgeted funds for this project will be available from:

Project Components	Project Funding Source				
	CRA	EECBG	CARF	GF	Total
	30-70-710-971 8004/0131701	5990501004 8001/0131701			
Project 1317 (1316) Phases II and III Community Center Roof Replacement Including Solar Panel Installation					
Included in FY 2009/10 Budget	2,734,000	899,900			3,633,900
Reallocated from Proj. 998	66,100				66,100
Supplemental appropriation FY 2009/10	370,000				370,000
Total Project 1317 (1316)	\$ 3,170,100	\$ 899,900	\$ -	\$ -	\$4,070,000
Project Components	Project Funding Source				
	CRA	EECBG	CARF	GF	Total
	30-70-710-971 8004/0131801		38-50-999-003 8004/0131801	01-99-999-004 8004/0131801	
Project 1318 Community Center Refurbishment and Upgrade					
Included in FY 2009/10 Budget	705,000				705,000
Included in FY 2010/11 Budget			45,500	49,500	95,000
Total Project 1318	\$ 705,000	\$ -	\$ 45,500	\$ 49,500	\$800,000
Grand Total	\$ 3,875,100	\$ 899,900	\$ 45,500	\$ 49,500	\$4,870,000

ACRONYMS: ARRA - American Recovery and Reinvestment Act; EECBG - Energy Efficiency Conservation Block Grant; DOE - Department of Energy; CARF - Capital Asset Replacement Fund

VI. EXHIBITS

- 1. Location Map. (pg. 9)
- 2. Minutes, September 7, 2010, Item No. 5. (pg. 10)

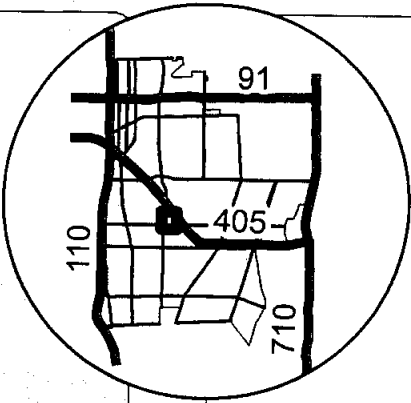
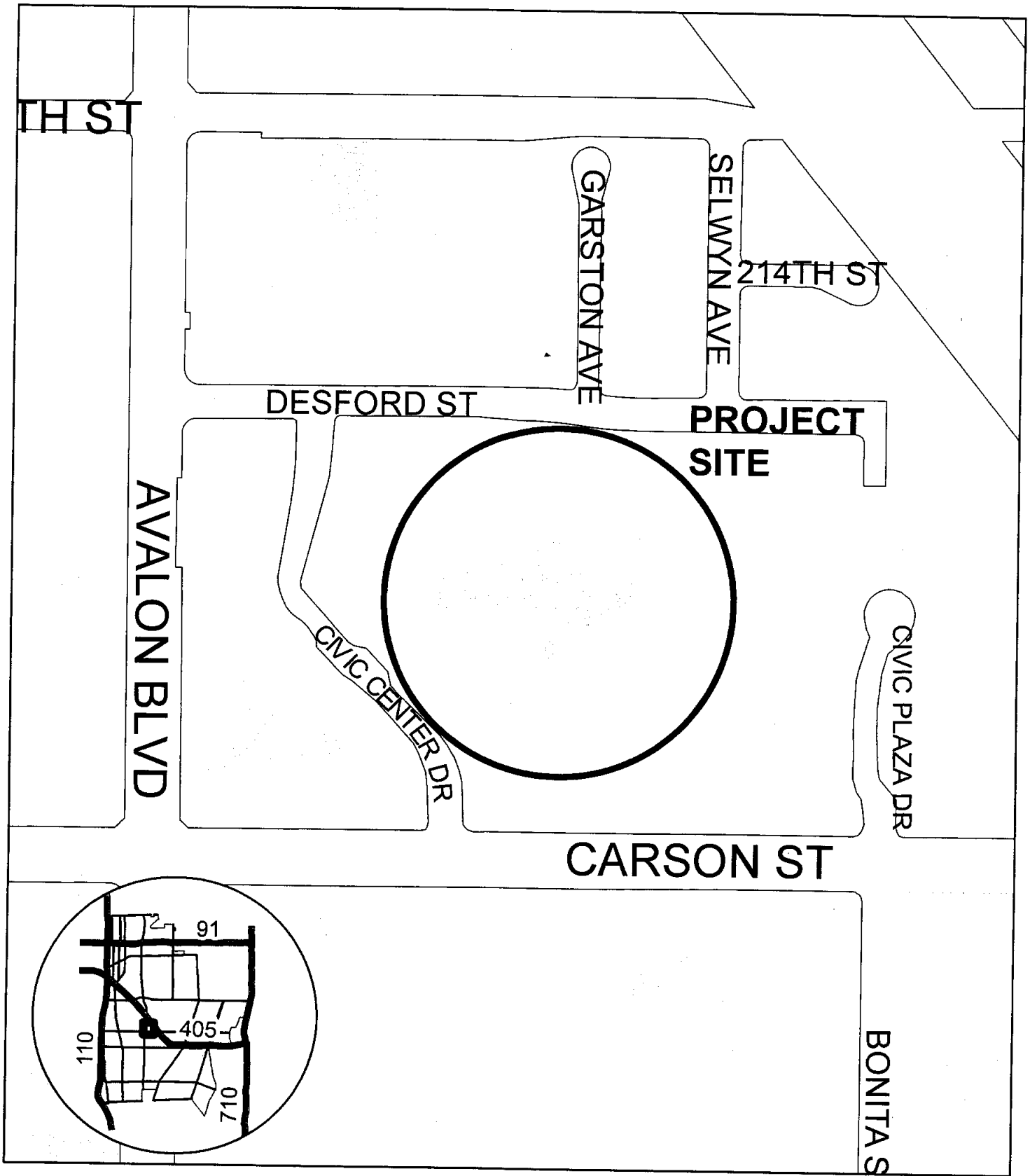
Prepared by: Gilbert M. Marquez, P.E., Senior Civil Engineer
sf:Rev061902

Reviewed by:

City Clerk	<u>City Treasurer</u>
<u>Administrative Services</u>	<u>Development Services</u>
<i>Jacquelyn Acosta</i> <u>Economic Development Services</u>	<u>Public Services</u>

Action taken by Redevelopment Agency

Date _____ Action _____



Location Map
Project No. 1317 Congresswoman Juanita Millender-McDonald Community Center Roof and HVAC Replacement Phases II and III, and Installation of Solar Panels, and a portion of Project No. 1318: Community Center Refurbishment and Upgrade

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EXHIBIT NO. 1

ITEM NO. (5) CONSIDER AUTHORIZING STAFF TO ADVERTISE A REQUEST FOR PROPOSAL FOR A PERFORMANCE CONTRACT FOR PROJECT NO. 1317: CONGRESSWOMAN JUANITA MILLENDER-MCDONALD COMMUNITY CENTER ROOF AND HEATING, VENTILATING AND AIR CONDITIONING REPLACEMENT PHASES II AND III (INCLUDING SOLAR PANELS INSTALLATION) AND A PORTION OF PROJECT NO. 1318: CONGRESSWOMAN JUANITA MILLENDER-MCDONALD COMMUNITY CENTER REFURBISHMENT AND UPGRADE (DEVELOPMENT SERVICES)

THIS IS A JOINT AGENDA ITEM WITH COUNCIL ITEM NO. 5

RECOMMENDATION for the Redevelopment Agency:

1. AUTHORIZE staff to advertise a Request for Proposal for a Performance Contract for Project No. 1317: Congresswoman Juanita Millender-McDonald Community Center Roof and Heating, Ventilating and Air Conditioning Replacement Phases II and III (Including Solar Panels Installation) and a portion of Project No. 1318: Congresswoman Juanita Millender-McDonald Community Center Refurbishment and Upgrade.

ACTION: Item No. 5 was approved on the New Business Consent Calendar on motion of Dear, seconded by Davis-Holmes and unanimously carried by the following vote:

Ayes: Chairman Dear, Vice Chairman Santarina, Agency Member Gipson, Agency Member Davis-Holmes, and Agency Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None

EXHIBIT NO. 02

