



Legislation Text

File #: 22-1831, Version: 1

Chief Administrative Office, Facilities Division, recommending the Board consider the following:

- 1) Award Bid 22-968-062 to the lowest responsive and qualified bidder, DG Granade, Inc., for \$3,988,569 plus the cost escalation allowed concerning the prefabricated metal building allowance and a term through November 1, 2023 for the Shakori Garage Replacement and authorize the Chair to sign Public Works Contract No.6998, subject to review and approval by County Counsel and Risk Management;
- 2) Waive the manufacturer substitution submission being received after the bid due date as an irregularity per the terms of Paragraph 15, Award of Contract as outlined in the Instruction to Bidders;
- 3) Authorize the Purchasing Agent to sign an Escrow Agreement, if requested by any Contractor and in accordance with Public Contract Code Section 22300, for the purpose of holding Contract retention funds; and
- 4) Approve the attached budget transfer increasing appropriations by \$1,500,000 and decreasing the Capital Project Designation to increase the project funding to \$4,832.542 due to a budget shortfall related to increased construction costs (4/5 vote).

FUNDING: General Fund Capital Projects Designation.

In 2016, the Facilities Division commissioned a comprehensive facility assessment that included the Department of Transportation (Transportation), Maintenance and Operations garage building located at 1121 Shakori Road, South Lake Tahoe, CA. The study identified the Shakori garage as having building systems that are at the end of life after 42 years in harsh mountain weather conditions along with having significant structural deficiencies.

On July 26, 2022, the Board adopted the plans and specifications for the replacement of the Shakori structure and authorized Request for Bid No. 22-968-062.

Three bids were received concerning bid No. 22-968-062 and DG Granade, Inc. was the lowest responsive and qualified bidder. The awarded contract amount is \$3,988,569 plus the allowable increase specific to the prefabricated metal building. Due to the high volatility of steel costs, limited construction season and overall timing of the project, to ensure a successful bid process language was included that allows for the specific cost of the structure to be increased from the bid amount based upon a cost index provided by the U.S. Bureau of Labor Statistics. This is a one-time price adjustment allowed that will be measured from the month of the bid date to the month of the date the notice to proceed is issued.

Additionally, it is recommend the Board waive the manufacturer substitution submission being received after the bid due date as an irregularity per the terms of Paragraph 15, Award of Contract as outlined in the Instruction to Bidders.

Upon approval by County Counsel and Risk Management, the Division will forward two (2) originals of the Construction Contracts, with the required bonds and the approved Contract Routing Sheets, to

the Chair for signature and will issue the notices to proceed shortly thereafter.

ALTERNATIVES

The Board could reject the Bids and the structure will not be replaced.

PRIOR BOARD ACTION

January 14, 2020; Legistar File 19-1774: Department of Transportation approval of facility replacement and funding option direction.

December 8, 2020; Legistar File 20-1205: Approval of Agreement for Services No. 5158 with Williams + Paddon/Architects + Planners, Inc. to provide on-call architectural services as related to the Department of Transportation's Shakori Garage Replacement Project.

October 21, 2021; Legistar File 21-1624: Approval of Amendment I to Agreement for Services No. 5158 with Williams + Paddon/Architects + Planners, Inc. to extend the agreement an additional two years.

May 17, 2022; Legistar File 22-0755: Approval of Amendment I to Agreement for Services No. 4970 with Christenson Consulting to increase compensation by \$85,600 and extend the term to March 31, 2024.

July 26, 2022; Legistar File 22-1113: Authorization of Bid Documents No. 22-968-062 for the Shakori Garage Replacement Project.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Department of Transportation, Procurement and Contracts Division

CAO RECOMMENDATION / COMMENTS

Approve as recommended

FINANCIAL IMPACT

Initially in 2020, the project was estimated at approximately \$2.5 million. In 2021, the project budget was increased to \$3.5 million due to the large increase in construction costs. To date, approximately \$200,000 has been spent on design and project management work. The FY 2022-23 budget included \$3.3 million in appropriations for this project. With the bid coming in at almost \$4M, the department is estimating an additional \$400,000 in soft costs related to project management, engineering and architect costs and a 10% contingency to cover any increases in the prefabricated metal buildings or unanticipated costs. This brings the total appropriations needed to finish the project to approximately \$4.8 million resulting in a funding gap of \$1.5 million.

The Chief Administrative Office is recommending to fill this gap with funds from the General Fund Capital Projects Designation. Currently the Designation has a total of \$33.9 million. The proposed budget transfer will decrease the designation to \$32.4 million.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Upon approval by County Counsel and Risk Management, the Division will forward two (2) originals of the Construction Contracts, together with the required bonds and insurance, and the approved Contract Routing Sheets to the Clerk for the Chair's signature.
- 2) The Clerk will forward one (1) fully executed Construction Contract to the Facilities Division for further processing.

STRATEGIC PLAN COMPONENT

Infrastructure - Analyze need, coordinate and plan for County facilities including ongoing maintenance, operations and replacement.

CONTACT

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