

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: CHRIS BALANESI, ASSISTANT ENGINEER
GRANT BAILEY, SUPERVISING ENGINEER
TRANSPORTATION AND PUBLIC WORKS DEPARTMENT
SUBJECT: CONTRACT AWARD – PUBLIC SAFETY BUILDING HYDRONIC
PIPELINE REPLACEMENT (965 AND 955 SONOMA AVE)

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by motion, award Contract No. C02388, Public Safety Building Hydronic Pipeline Replacement, in the amount of \$606,094.00 to the lowest responsible bidder, Peterson Mechanical, Inc. of Sonoma, CA, approve a 15% contract contingency, and authorize a total contract amount of \$697,008.10.

EXECUTIVE SUMMARY

This motion will award a contract to Peterson Mechanical, Inc. of Sonoma, California, approve a 15% contract contingency and authorize a total contract amount of \$697,008.10 to replace the hot and cold water supply and return lines for the Public Safety Building's hydronic boiler system.

BACKGROUND

The Public Safety Building (PSB), located at 965 & 955 Sonoma Ave, was constructed in 1978 to support the Santa Rosa Fire and Police Departments within the downtown Santa Rosa response area.

The PSB is heated and cooled by a hydronic pipeline system which circulates hot and cold water through radiators and ducting, respectively, throughout the building. A portion of hydronic pipeline, between the boiler and the building distribution point, is experiencing ongoing maintenance issues and reached the end of its useful life.

This project will replace the hot and cold water supply and return lines for the hydronic boiler system at the City's Public Safety Building.

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PRIOR CITY COUNCIL REVIEW

On February 15, 2022, Council, by Resolution No. RES-2022-030, amended the Fiscal Year 2021-2022 budget, appropriating \$500,000 to replace the Public Safety Building boiler line.

ANALYSIS

1. The project was advertised on May 25, 2022, and bids were received on June 21, 2022. A total of one (1) bid was received in the amount of \$606,094. The bid was 42.6% over the Engineer's estimate.
2. The low bidder, Peterson Mechanical, Inc., possesses a valid contractor's license of the required class, as verified by the Contractor's State License Board, and is registered with the State Department of Industrial Relations (DIR).
3. The contract agreement has been reviewed and approved by the City Attorney.
4. Construction is anticipated to begin in August 2022. The length of the contract is fifty (50) working days.
5. The Public Participation Plan has been reviewed and approved by the Transportation and Public Works Communications Coordinator.
6. City staff has reviewed and evaluated the low bid and determined higher-than-expected bid costs are a result of COVID-19, supply chain issues, rising crude oil prices and the ongoing conflict in Europe. Additionally, this project was bid late in the construction season, limiting contractor availability. Bid costs above the engineer's estimate are consistent with other projects recently bid. Given these considerations, City staff believe the low bid price is fair and reasonable and recommends contract award.
7. To expediate project design and minimize operational impacts to the PSB building during the design phase, extensive investigation of the hydronic pipeline system did not occur. Due to this approach, an increased likelihood exists that the contractor will encounter unknown conditions not described in the contract documents. To ensure an additional contingency request is not needed if unknown conditions are encountered and require additional funding, staff is requesting a 15% contract contingency.

FISCAL IMPACT

Funding for this project was appropriated in previous fiscal year's Capital Improvement Program budgets, approval of this contract has no additional impact on the budget, and funding is available to award this contract.

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ENVIRONMENTAL IMPACT

This project has been reviewed in accordance with the California Environmental Quality Act (CEQA) and is categorically exempt pursuant to CEQA Guidelines Section 15301, Existing Facilities, as the approval of the contract will facilitate the repair and minor alteration of an existing public facility involving no expansion of existing use.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Location Map
- Attachment 2 – Summary of Bids

CONTACT

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