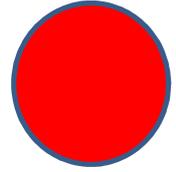




City of Del Mar Memorandum



TO: Mayor and City Council Members

FROM: Kristen M. Crane, Management Services Director
Via Scott W. Huth, City Manager

DATE: September 2, 2016

RE: Item 14: Authorization of the City Manager to Award a Contract for Construction Services to the Lowest Responsive and Responsible Bidder for the Del Mar Civic Center

Item 14 on the September 6, 2016 City Council agenda pertains to authorization for the City Manager to award a contract for construction services to the lowest responsive and responsible bidder. As noted in the main staff report for this item, this memo is submitted as additional material relevant to Item 14 in order to award the contract.

Results of Bid Process

The bid opening occurred on Thursday, September 1, 2016, at 3:00pm. Four (4) bids were received and opened and are listed as follows:

- | | |
|------------------------------|--------------|
| 1. RABC-ECC, A Joint Venture | \$13,788,684 |
| 2. USS Cal Builders | \$14,409,000 |
| 3. Barnhart Reese | \$14,487,000 |
| 4. Balfour Beatty | \$18,100,461 |

Staff evaluated RABC-ECC's bid package, insurance, bonding, and construction references and determined RABC-ECC to be responsive. Contracting laws allow the City to award the contract to the lowest responsive bidder, in this case RABC-ECC.

ECC was the construction company for the Beach Safety Center in 2012.

Staff recommends that the City Council adopt the attached resolution (Attachment A), awarding the construction contract to RABC-ECC for \$13,788,684.

Project Budget

The low-bid amount submitted by RABC-ECC fits within the overall \$17.8 million project budget set by the City Council in November 2015.

The City Council approved a total project budget of \$17,845,443, which included all costs for bringing the Del Mar Civic Center project to fruition, including architecture and engineering; CEQA environmental

review; demolition; construction of the new buildings and site improvements; fixtures, furnishings, and equipment; all soft costs; and contingencies.

A project budget status sheet is provided in Attachment B, demonstrating that the overall project is within budget, factoring in the construction cost based on the low-bid from RABC-ECC.

In addition to the \$17.8 million project budget established by the City Council for the main City Hall/Town Hall project, there is a second component of the project being constructed at the same time - the off-site/streetscape improvements. These two projects are being funded by three sources explained below:

- *Off-Site/Streetscape Improvements*

The additional expense for off-site streetscape improvements on Camino Del Mar, 10th Street, and 11th Street was identified to be paid using a different funding source (Capital Improvement Project reserve) separate from the City Hall/Town Hall project budget. At that time, the estimated cost for construction-only of the off-site streetscape improvements was \$401,749. The construction bid submitted by RABC-ECC includes the off-site right-of-way/streetscape improvements.

Based on the construction bid and also factoring in the cost associated with design and engineering work for the off-site/streetscape improvements, the estimated value of that work is approximately \$516,000.

- *Costs for Public/Education/Government Channel Facility and Infrastructure*

Another element of the project to be paid for using a separate funding source are the investments related to the City's public/education/government (PEG) television channel (DMTV), and the infrastructure related to filming/broadcasting public meetings. These elements of the project are to be funded using the PEG fund, which are funds received from the cable television companies that serve Del Mar that can only be used for this purpose (such as equipment, office space, microphones, and cameras for the DMTV function). The combined estimated value of the PEG-related elements of the project is approximately \$770,000, which includes construction costs for the facilities, a portion of design/engineering costs, and equipment.

Available PEG funding at this time is approximately \$293,000. Annually, the City receives approximately \$30,000 in PEG funds. The City Council can allocate future PEG fund remittances toward the cost of the PEG-related components of the Civic Center project.

Bid Package Deductive Alternates

As part of the bid process, all bidders were required to submit a cost for five (5) elements of the project identified as "deductive alternates." The City Council could opt to remove one or all of these five elements of the project. Attachment C identifies the value that RABC-ECC gave to each of the five deductive alternates. At this point, staff does not recommend proceeding with any of the deductive alternates.

Requested Action/Recommendation:

Staff recommends that the City Council adopt the attached resolution (Attachment A), awarding the construction contract to RABC-ECC. The low bid cost for construction is within the City's overall project budget.

Staff will continue to refine budget details for the Del Mar Civic Center project and will report back at the September 19, 2016 City Council meeting with more details.

Attachments:

Attachment A - Resolution
Attachment B – Project Budget Status Report
Attachment C – RABC-ECC – Value for Deductive Alternates

RESOLUTION NO. 2016- _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, TO AWARD RABC-ECC, A JOINT VENTURE THE CONTRACT FOR CONSTRUCTION OF THE DEL MAR CIVIC CENTER

WHEREAS, since June 2013, the City of Del Mar has extensively engaged in planning and design efforts for a new City Hall/Town Hall; and

WHEREAS, on April 6, 2015 the City Council directed the City Manager to enter into a Professional Service Agreement with the Miller Hull Partnership LLC. to provide architectural design consulting services for the City Hall/Town Hall Project; and

WHEREAS, the City Council certified the Environmental Impact Report (EIR) for the proposed City Hall/Town Hall on January 4, 2016, and approved the development entitlements for the project on January 19, 2016; and

WHEREAS, on March 21, 2016, the City Council authorized the City Manager to enter into an amended Professional Service Agreement with the Miller Hull Partnership, LLC. for preparation of Construction Documents; and

WHEREAS, the City Council approved the modified Design Review Permit on June 6, 2016 for minor design changes; and

WHEREAS, on July 16, 2016, the City Council authorized the City Manager to initiate a competitive bid process for construction services for the new City Hall/Town Hall; and

WHEREAS, pursuant to California Public Contracts Code section 20160, *et seq.* and Del Mar Municipal Code section 7.04.080, *et seq.*, the City of Del Mar ("City") invited proposals for a Public Works Project as defined in California Public Contract Code section 20161(c) called the Del Mar Civic Center project ("Project"); and

WHEREAS, on August 8, 2016, the City issued an invitation for sealed bids for the Project; on July 27, 2016 and August 3, 2016, a notice inviting bids was advertised in the *Union Tribune*; on July 28, 2016 and August 4, 2016, a notice inviting bids was advertised in the *Del Mar Times*; and on July 29, 2016 and August 5, 2016, was advertised in the *Daily Transcript*; and

WHEREAS, the Administrative Services Director/City Clerk and the Management Services Director of the City of Del Mar did on September 1, 2016, receive bids from four (4) contractors; and

WHEREAS, a review of the lowest responsible bid indicates that RABC-ECC, A Joint Venture ("RABC-ECC") possesses the required license and qualifications to perform the scope of services for the Project; and

WHEREAS, RABC-ECC's bid in the amount of \$13,788,684 was the lowest regular bid submitted by a responsible bidder in accordance with the Notice of Inviting Bids and is acceptable to the City Council; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Mar, California, as follows:

1. That the contract for construction services for the Del Mar Civic Center be awarded to the lowest responsive bidder, RABC-ECC.
2. That the City Council authorizes the City Manager to execute a contract with RABC-ECC for construction services and to negotiate change orders within the overall project budget for the Del Mar Civic Center in substantial conformance with the terms of the contract on file with the Office of the City Clerk of the City of Del Mar.
3. That the appropriate City officials are hereby authorized and directed to take such actions as they may deem necessary and proper to effectuate and consummate the contract, subject to final review and approval by the City Attorney.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Del Mar, California, at a Regular Meeting held on the ____ day of September 2016.

SHERRYL PARKS, Mayor
City of Del Mar

APPROVED AS TO FORM:

LESLIE E. DEVANEY, City Attorney

ATTEST AND CERTIFICATION:

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF DEL MAR

I, Ashley Jones, Administrative Services Director/City Clerk of the City of Del Mar, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution 2016-_____, adopted by the City Council of the City of Del Mar, California, at a Regular Meeting held the ___ day of September, 2016, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ASHLEY JONES,
Administrative Services Director/City Clerk
City of Del Mar

City of Del Mar - City Hall/Town Hall

Project Budget Status Based on Construction Bid

Lowest Responsible/Responsive Construction Bid	\$ 13,788,684.00
<i>Submitted by RABC-ECC, A Joint Venture</i>	

Project Costs

Approximate Breakdown of Construction Costs

Construction of Civic Center	\$ 12,865,880.00
<i>City Hall/Town Hall/Parking/Plaza</i>	
Off-Site Streetscape Improvements	\$ 515,966.00
<i>Camino Del Mar/10th St./11th St. -- Curb to Property Line</i>	
Public-Education-Government Channel/DMTV	\$ 406,838.00
<i>Eligible construction improvements related to PEG channel</i>	
	<hr/> \$ 13,788,684.00

Additional Project Costs

Demolition of Former City Hall Buildings and Site Improvements	\$ 345,000.00
Soft Costs	\$ 3,134,564.00
<i>Includes architectural design and engineering; environmental review/CEQA EIR preparation; permitting; construction management and inspection work during construction; all specialized design work; fixtures, furnishings, and equipment</i>	
Public-Education-Government Channel/DMTV Equipment and Design	\$ 362,983.00
Owner's Contingency	\$ 1,500,000.00
	<hr/> \$ 5,342,547.00
Combined Estimated Project Cost	\$ 19,131,231.00

Project Funding

Civic Center Project Budget	\$ 17,845,443.00
<i>Approved by City Council, November 2015</i>	
Off-Site "Streetscape" Project (CIP Reserve)	\$ 515,966.00
Public-Education-Government Fund	\$ 769,822.00
<i>Includes current cash available in fund and repayment from future annual PEG revenues</i>	
Combined Funding for Project	\$ 19,131,231.00

Items not funded in the project budget above but could be funded using remaining project funding (such as owner-contingency savings) or savings off-set by fundraising.

Solar Panels	\$ 200,000.00
Kitchen Equipment	\$ 60,000.00

City of Del Mar - City Hall/Town Hall

RABC-ECC, A Joint Venture

List of Deductive Alternates

Alternate Number	Description	RABC-ECC's Value for Deductive Alternate
1	Delete acoustic wood ceiling panels at Town Hall and Breezeway	\$ 10,201.00
2	Change roof assemblies from standing seam metal roof to fiberglass reinforced asphalt shingles	\$ 54,575.00
3	Delete trellises except at/around elevator	\$ 299,893.00
4	Change all paving at west surface parking lot from decorative concrete paving and porous concrete paving to decomposed granite paving	\$ 66,602.00
5	Substitute decorative concrete paving as part of North Plaza hardscape with decomposed granite paving	\$ 127,054.00
		<hr/> \$ 558,325.00