



Item No. 1 Town of Atherton

CITY COUNCIL STAFF REPORT – ACTION ITEM

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

THROUGH: ROBERT OVADIA, PUBLIC WORKS DIRECTOR

**FROM: MARTY HANNEMAN, INTERWEST CONSULTING GROUP
PROJECT MANAGER**

DATE: MARCH 6, 2019

SUBJECT: AWARD A CONTRACT TO S.J. AMOROSO CONSTRUCTION COMPANY INC., FOR CONSTRUCTION OF THE CIVIC CENTER PROJECT – PROJECT NUMBER 54015, TO INCLUDE, IF SELECTED, THE ADD ALTERNATE; AUTHORIZE THE CITY ATTORNEY TO PREPARE AND CITY MANAGER TO EXECUTE A CONTRACT WITH S.J. AMOROSO CONSTRUCTION COMPANY INC., TO CONSTRUCT THE CIVIC CENTER PROJECT; APPROVE A TASK ORDER WITH INTERWEST CONSULTING GROUP FOR PRE-CONSTRUCTION MOVE MANAGEMENT SERVICES; AUTHORIZE THE CITY MANAGER TO EXECUTE A TASK ORDER AMENDMENT WITH INTERWEST CONSULTING GROUP FOR CONTINUED CIVIC CENTER PROJECT MANAGEMENT SERVICES THROUGH CONSTRUCTION; AUTHORIZE STAFF TO BEGIN THE CONSTRUCTION PHASE OF THE CIVIC CENTER PROJECT; AND AUTHORIZE STAFF TO HAVE WRNS STUDIO TO BEGIN CONSTRUCTION ADMINISTRATION SUPPORT SERVICES PHASE

RECOMMENDATION

1. Award a construction contract to S.J. Amoroso Construction Company Inc., for the construction of the Civic Center Project, Project Number 54015 deemed the lowest responsive bidder, Redwood Shores, CA for a fee of \$44,177,000 and, if selected, award the add alternate for the project for a fee of \$2,900,000; and
2. Authorize the City Attorney to prepare and the City Manager to execute a construction contract with S.J. Amoroso Construction Company Inc., to construct the Civic Center Project; and

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3. Approve a Task Order with Interwest Consulting Group (Interwest) to provide pre-construction move management services for a not to exceed fee of \$66,800; and
4. Approve Task Order Amendment No. 3 with Interwest for continued Civic Center project management services through the Construction Phase of the Civic Center project for a not to exceed fee of \$416,300 and authorize the City Manager to execute this Task Order Amendment No. 3; and
5. Authorize staff to begin the construction phase of the Civic Center Project.
6. Authorize staff to have WRNS Studio to begin Construction Administration Support Services Phase 7 for a not to exceed fee of \$519,960 per the original April 9, 2015 agreement.

BACKGROUND

At the December 19, 2018 City Council meeting, the City Council approved the Civic Center Plans, Specifications and Estimate (PS&E) Bid Documents; and authorized staff to advertise them for public bids. On January 3, 2019 staff posted the Civic Center bid docs on the Town's website: <http://www.ci.atherton.ca.us/Bids.aspx?BidID=64> and numerous other construction related websites. In addition, staff and the design team made extensive outreach efforts to contact General Contractors in the northern California area to make them aware of the Atherton Civic Center project.

On January 16, 2019, staff held a pre-construction meeting, in which four general contractors and 12 sub-contractors attended. On February 27, 2019 at 2 PM, staff received the following four bids results (Attachment 1) and held a public bid opening:

CONTRACTOR	LOCATION	BASE BID	BID ALT.
S.J. Amoroso Const, Inc.	Redwood Shores, CA	\$44,177,000	\$2,900,000
Stronghold Eng. Inc.	Riverside, CA	\$44,400,000	\$4,000,000
BHM Const. Inc.	Napa, CA	\$44,963,799	\$3,205,000
Sausal Corp.	Concord, CA	\$55,444,000	\$2,900,000

After review of the four bids received, S.J. Amoroso Const. Inc. base bid of \$44,177,000 was deemed the lowest responsive bid. The S.J. Amoroso Const. Inc. bid is approximately ten percent (10%) **below** the Engineers Estimate of \$48,500,000. The bid is comprised of 4 elements: construction of the new Administration, CDD, and Police Building; construction of the new Library and renovation of the Historic Town Hall; Site Improvements (66% Admin & 34% Library); and the construction of a new Council Chambers/EOC as a Bid Alternate.

Item Description	Amount
New Administration/CDD/Police Facility	\$24,277,000
New Library and Renovation of Historic Town Hall	\$12,700,000
Site Improvements	\$7,200,000
Total Base Bid	\$44,177,000
Bid Alternate	\$2,900,000
Total with Bid Alternate	\$47,077,000

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The Engineer's Estimate for the Bid Alternate was \$1,655,000.

If City Council elects to award S.J. Amoroso Construction Company Inc., with both the base bid project for \$44,177,000 and bid alternate No.1 for \$2,900,000 the total contract price would be \$47,077,000. The bids received on February 27, 2019 are only valid for 90 calendar days and expire on May 28, 2019. If awarded, the bid award must include all selected items and cannot be awarded in part.

Option 1 - Council direction is required to authorize the City Attorney to prepare and City Manager to execute a Construction Contract with S.J. Amoroso Const. Inc. to provide construction services for the Civic Center Project – Base Bid Only for a fee of \$44,177,000.

Option 2 - If Council elects to award both the base bid project and bid alternate project, Council direction is required to authorize the City Attorney to prepare and City Manager to execute a Construction Contract with S.J. Amoroso Const. Inc. for a fee of \$47,077,000.

Pre- Construction Move Management Services

As the Civic Center Project moves into the construction phase, staff has identified the need for mission critical pre-construction move management services. Tasks under this work includes: procuring the required temporary facilities, equipment, furniture, utilities, IT, phone, parking, movers, and storage to move Admin/Finance, Building and Planning and Council meetings for the duration of the 24-month construction period.

To maintain the current project schedule, this work will need to begin as soon as possible. Interwest has submitted the attached (Attachment 2) Task Order to provide these services. This required scope of work is currently not in any of the consultant team agreements and is separate and apart from overall Project Management tasks currently handled by Marty Hanneman, Project Manager. All work and invoices will be reviewed and approved by the City Manager. This work and its cost are a part of the Cost Model Manager projections.

Council action is required to authorize the City Attorney to draft and the City Manager to execute any amendments necessary for Interwest to perform this work at a fee not to exceed \$66,800.

Continued Project Management Services

On June 5, 2018, the Town received two bids that came in much higher than expected, and City Council rejected both bids and directed staff to rework the project with the project management committee (PMC) and design team to reduce the overall costs per square foot through value engineering (VE) and return to City Council by end of calendar year 2018 with a revised bid doc package for Council consideration to release for bid in January 2019.

On October 17, 2018, City Council approved Task Order Amendment No. 2 with Interwest Consulting Group (ICG) to provide continued Civic Center Project Management Services through

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the new bid opening date of February 27, 2019 for a not to exceed fee of \$76,800 and authorized the City Manager to execute this Task Order Amendment. All work and invoices were reviewed and approved by the City Manager.

Interwest has now submitted the attached (Attachment 3) Task Order Amendment No. 3 to continue to provide project management services through the construction phase of the Civic Center project, which based on the current schedule is May 2021. Project management work and associated costs are a part of the Cost Model Manager projections.

Council action is required to authorize the City Manager to execute a Task Order Amendment No. 3 with Interwest Consulting Group to continue to provide continued Project Management services through construction of the Civic Center project to May 2021 for a not to exceed fee of \$416,300.

Project Funding

Currently, the identified funding for the Project is a combination of saved General Funds, donations/grants, Library funds and building funds to meet the full project cost. However, it was noted that the use of saved Town General Funds will result in a cash flow issue which the Town will have to remedy through either additional fund raising or short-term gap funding (private placement funding or certificates of participation).

As provided to the Council previously through a presentation by Urban Futures, Inc., if the project were awarded at the Engineer's Estimate, it was anticipated that the Town may need a Certificate of Participation of approximately \$6.8 million at some point during the project timeline to assist with cash flow.

That cash flow funding need is not immediate. Overall, there are sufficient funds identified that are anticipated over the course of the project timeline to fully fund the project. Staff will return to the Council at a future date with a cash flow solution.

POLICY ISSUES

There are no policy issues associated with this report.

FISCAL IMPACT

Attachment 4 is a summary of the project finances via the Monthly Budget Summary.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents

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as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials. The Town maintains an active and up to date Project Website at <http://ca-atherton.civicplus.com/index.aspx?NID=290>.

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item ___ has or X has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- PMC - Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)

ATTACHMENTS

- Attachment 1: Civic Center Project Bid Results
- Attachment 2: ACC Interwest Pre-Construction Move Task Order
- Attachment 3: ACC Interwest PM Task Order Amendment No. 3
- Attachment 4: Monthly Budget Summary

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Attachment 4

Monthly Budget Summary

Fund Allocations	Library Fund	Building Facilities Fund	General Fund	Civic Center Donations	Total
FY 17-18 Budget	\$4,568,071	\$1,573,849	\$881,500	\$4,049,218	\$11,072,638
Expenditures to Date					
Design	\$993,216	\$433,724	\$581,357	\$2,479,255	\$4,487,553
Project Management	\$567,200	\$182,200	\$44,383	\$671,253	\$1,465,036
Geo-Tech/Environmental	\$48,706	\$95,442	\$53,222	\$0	\$197,371
Totals	\$1,609,122	\$711,366	\$678,963	\$3,150,508	\$6,149,960
Remaining FY 17-18 Budget	\$2,958,947	\$862,483	\$202,537	\$898,710	\$4,922,678

Atherton Now Cash Donations (Received)	Amount
Master Plan & Conceptual Design Phases 1 & 2	\$250,457
Schematic Design Phase 3	\$200,838
Design Development	\$506,870
Construction Documents Phase	\$783,026
Total Contributions to Date	\$1,741,191

ATHERTON TOWN CENTER PROJECT (PROJECT NO. 54015) - BID RESULTS 2-27-19											
				S. J. Amoroso Construction Co., Inc. Redwood Shores, CA		Stronghold Engineering Incorporated Riverside, CA		BHM Construction Napa, CA		Sausal Corporation Concord, CA	
	Bid Bond? (Y/N)			Y	Y	Y	Y	Y	Y	Y	Y
	Sub-Contractor List? (Y/N)			Y	Y	Y	Y	Y	Y	Y	Y
	Non-Collusion Affidavit? (Y/N)			Y	Y	Y	Y	Y	Y	Y	Y
	Public Contract Code Questionnaire (Y/N)			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Addenda (Y/N)			Y	Y	Y	Y	Y	Y	Y	Y

Base Bid Items as listed below:				ENGINEERS ESTIMATE FOR ITEMS 1, 2 AND 3 WAS \$48,500,000							
ITEM No.	ITEM DESCRIPTION	EST. QTY	UNITS	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
1	New Administration / Police Department Buildings And Ancillary Buildings Lump Sum Bid Total Including All Allowances As Specified In Section 01 1000 Atherton Town Center Project	N/A	LS	N/A	\$24,277,000.00	N/A	\$22,200,000.00	N/A	\$22,230,182.00	N/A	\$23,500,000.00
2	New Library Building And Renovation Of The Historic Town Hall Building Lump Sum Bid Total Including All Allowances As Specified In Section 01 1000 Atherton Town Center Project	N/A	LS	N/A	\$12,700,000.00	N/A	\$14,200,000.00	N/A	\$11,716,346.00	N/A	\$14,500,000.00
3	All Site Improvements Lump Sum Bid Total Including All Allowances As Specified In Section 01 1000 Atherton Town Center Project	N/A	LS	N/A	\$7,200,000.00	N/A	\$8,000,000.00	N/A	\$11,017,272.00	N/A	\$17,440,000.00
TOTAL						\$44,177,000.00		\$44,400,000.00		\$44,963,800.00	\$55,440,000.00

Bid Alternate Items as listed below:				ENGINEERS ESTIMATE FOR BID ALTERNATE NO. 1 WAS \$1,655,000							
ITEM No.	ITEM DESCRIPTION	EST. QTY	UNITS	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
1	Bid Alternative No. 1: Construct New Council Chambers. Do Not Provide Landscaped Area & Security Fence Where Council Chamber is Built, As Specified In Section 01 2300 Atherton	N/A	LS	N/A	\$2,900,000.00	N/A	\$4,000,000.00	N/A	\$3,205,000.00	N/A	\$2,900,000.00
TOTAL						\$2,900,000.00		\$4,000,000.00		\$3,205,000.00	\$2,900,000.00

Town of Atherton Task Order

CIVIC CENTER PRE-CONSTRUCTION MOVE MANAGEMENT SERVICES

Interwest proposes to provide pre-construction management services for all moves and relocations required during the construction of the Atherton Civic Center project. This includes: procuring the required temporary facilities, equipment, furniture, utilities, IT, phone, parking, movers, and storage to move Admin/Finance, Building and Planning, and Council Meetings for the duration of the 24 month construction period to Holbrook-Palmer park. In order to meet the Mack5 project schedule this work will need to begin immediately and should be completed by the end of June 2019 (four months).

Interwest will perform the following:

- Meet with all City staff affected by the move to discuss details of the move including best time to perform the move for minimal disruption to employees, customers and City operations.
- Inventory of all items to be moved, placed into temporary storage, auctioned or disposed of, as needed.
- Coordinate with staff on requirements for temporary power and communication needs.
- Coordinate with staff to provide adequate temporary building/office space, parking, and all required ADA access for the temporary to Admin/Finance and Building and Planning buildings during construction.
- Coordinate with staff to provide all required utilities including all in wall and floor electrical, and communication needs as well as any special connections for any new public or staff computers at the temporary building sites.
- Follow the City's procurement process to procure the modular buildings for staff and any related construction contracts needed to provide all needed improvements.
- Coordinate with utility companies (i.e., PG&E electric and Cal Water) for required temporary facility connections.
- Coordinate with staff to provide all interior lighting and climate control (HVAC) requirements at the temporary building sites.
- Coordinate with staff and provide any special requirements i.e., audio visual, permitting equipment.
- Coordinate with the Town's Chief Building Official and Menlo Park's Fire Marshall to ensure all building codes are met with the temporary facilities.
- Coordinate with staff during moving to ensure they will have adequate parking and easy access to the temporary buildings during the move.
- Prior to the moves, meet with the staff as needed to ensure there will be minimum impact on staff when moving and address any concerns the staff may have about the move.
- Prior to the moves, ensure all building safety systems are fully operational, along with all building security systems to meet City insurance requirements and other building systems
- After the move into the temporary facilities, meet with staff to ensure they are comfortable, understands how to operate all building functions and work to resolve any miscellaneous issues.

- Ensure everything is in working order prior to opening the temporary buildings to staff and the general public.
- Ensure staff have sufficient keys to enter the temporary buildings.
- Other tasks as needed

Staffing will be provided by Alan Price, Interwest Project Manager and coordinated with Marty Hanneman, Civic Center Project Manager.

Proposed Fee

Interwest proposes performing this task order for a not-to-exceed total fee of \$66,800 on an hourly fee basis at agreed upon rates.

Approved:

George Rodericks
City Manager

Date

Town of Atherton Task Order – Amendment No.3

CIVIC CENTER CONSTRUCTION PHASE

PROJECT MANAGEMENT SERVICES

Interwest Consulting Group (Interwest) proposes to continue providing Project Management (PM) services for the Atherton Civic Center project. The original PM Task Order (TO) was for \$82,000 and amended on November 2, 2016 for \$39,600 for a total fee of \$121,600 to complete the DD phase through the end of January 2017. Since the DD phase was not completed until February 15, 2017, this Task Order was amended on February 2, 2017 for \$8,400 for a total of \$130,000 to complete the DD phase. To continue providing PM services for the Construction Documents (CD) and bidding phases, which per the February 3, 2017 revised Mack5 schedule, will take from February 2017 to December 2017. There were many unforeseen meetings and changes required to address impacts to heritage trees, utilities, and other design changes, the construction documents and bidding phase were delayed by approximately six months. To accommodate the work during this period to bid award, this TO was amended (Amendment No.1) for a fee of \$45,000 and a total not to exceed fee of \$350,000.

On June 5, 2018, the Town received two bids that came in much higher than expected, and City Council rejected both bids and directed staff to rework the project with the project management committee (PMC) and design team to reduce the overall costs per square foot through value engineering (VE) and return to City Council by end of calendar year 2018 with a revised bid doc package for Council consideration to release for bid in January 2019.

On October 17, 2019, City Council approved Interwest Task Order Amendment No.2 to continue project management services through the new bid award in March 2019 for a fee of \$76,800 for a total not to exceed fee of \$426,800.

Interwest will continue to perform the following project management tasks through the construction and close-out and occupancy phases, which per the current Mack5 schedule is May 2021:

- Once City Council awards contract, issue official notice to proceed.
- Hold kickoff meeting with Contractor, Mack5 and design team.
- Coordinate all the work (Lease with Mobile Modular Inc., required utility connections, space planning, moving, phones/Internet, etc.) to provide temporary buildings for Admin/Finance and Permit Center staff at Holbrook-Palmer Park during construction of the Civic Center project.
- Review Project schedules submitted by Contractor coordinate with Mack5 for completeness.
- Review potential contract change orders (CCO's) and value engineering proposals submitted by Contractor.
- Prepare staff reports for change orders requiring City Council approvals.
- Continue monthly staff report updates to City Council.
- Work with Town staff, Contractor and Mack5 to develop and implement ongoing community outreach and communication strategy.

- Coordinate testing and inspection by MACK5. Verify MACK5 is coordinating permit inspections and overseeing corrections as necessary. Coordinate requests for information between the Contractor, MACK5, and WRNS; and assist in resolving disputes.
- Review and track invoices from construction inspections, WRNS, Mack5 and Contractor, and submit for approval.
- Recommend changes to scopes of work with WRNS Studio and Mack5 due to project scope changes approved by City Council.
- Prepare updates to Town Website for the Civic Center Project, as needed
- Manage work performed by WRNS Studio and Mack5 in accordance with their approved agreements and amendments
- Review potential claims and coordinate response with City Manager/City Attorney.
- Hold weekly Project meetings with contractor, MACK5 and design team members to review schedule, upcoming work, inspection needs, potential change orders, and invoices.
- Prepare justification for required Project budget amendments and/or schedule and submit to City Manager or City Council for approval.
- Prepare a monthly progress report summarizing completed activities; upcoming activities; pending issues or concerns which may impact Project scope, budget, or schedule; and a summary of expenditures as compared to budget.
- Prepare staff report for Project acceptance, and prepare the notice of completion for recordation.
- Review any stop work notices submitted by subcontractors or suppliers and provide recommendation to City Manager.
- Obtain warranty, guarantees, and as-built drawings from Contractor.
- Project closeout activities including a summary of schedule, cost, and claims.
- Other tasks as needed

Staffing will be provided by Marty Hanneman, P.E., Project Manager

Proposed Fee

Interwest proposes to continue performing this PM task order through the construction, close-out and occupancy phases, which based on the Mack5 project schedule is expected to be in May 2021. Our Amendment 3 fee is \$416,300 (March 2019 thru May 2021 - 26 months) for a total to date not to exceed fee of \$842,800.

Approved:

George Rodericks
City Manager

Date