



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Administrator

SUBJECT: CONSTRUCTION CONTRACT FOR THE REPAIRS TO
VETERANS PARK GYM AREA FOR INTERIM USE OF CRUSH
VOLLEYBALL AND OTHER RECREATIONAL ACTIVITIES

MEETING DATE: FEBRUARY 20, 2018

RECOMMENDATION:

Staff requests that the City Council to consider the status of the construction contract for the repairs to veterans park gym area for interim use of the Crush Volleyball Team and other recreational uses and provide direction.

BACKGROUND:

Veterans Park Building is a 38,000 square foot multi-level building, located at 6364 Zindell Avenue in the City of Commerce. It is used to serve the entire City of Commerce as an indoor sports facility and meeting place. It was constructed in 1971 on a closed landfill. Since this building was constructed on a landfill, it has experienced a variety of settlement and utility breakage issues. The original building also housed a shooting range in the basement which was ultimately closed in 2010 and lead removal work was undertaken for all public areas of the building. The basement was sealed and in insuring health and safety of the residents, Council approved a contract in 2016 to fully remove the lead from the basement. In the course of the lead removal, it was discovered that some lead had travelled outside the basement and although it did not pose any danger, as none was present in the public areas, Council, in abundance of caution approved closure of the building in February 2017 and authorized complete abatement of the building including lead and asbestos.

Since then many options have been explored. At some point, due to the fact that Veterans Park sits on a landfill, council also explored options outside the park area. In May 2017, staff presented options for Veterans Park and an indoor recreation facility.

Interim use of the gym for Crush Volleyball and other recreational uses

Per the council direction in recognizing Veterans Park Building as the highest priority for the community, staff went to work to find ways to put some parts of the building back in

service while the City explored options for a permanent solution. While not originally in their scope, City's consultant, IDS with assistance from Transtech, agreed to work with staff to identify and develop plans for interim solutions in order to put some parts of the building back in service. Specifically, the indoor Gym part of the building was considered for interim repair and use in order to provide the Crush volleyball team with the ability to start practice for this season.

At the time of the abatement, the building was fully stripped of lighting, sheetrock, flooring and air conditioning duct work. At this time only the shell of the building remains. However, engineering staff recognized that with some work, it would be possible to put at least part of the building back to service. Commerce engineering staff, Transtech, and IDS consultants worked with County Building officials to identify the elements that would be required to put the Gym back in service. As such, IDS developed plans for the interim use and staff has worked with the County and the Building Official to finalize the plans. The work includes sheetrock, lighting, HVAC and some internal and external ADA work. Parks and Recreation staff will perform the flooring work separately.

ANALYSIS:

The bid opening was conducted on October 24, 2018, and the City Clerk opened and announced the bids in a public setting. There were a total of three bids submitted. The bid results were as follows:

Bidder Name	Amount	Status
RAMCO, General Engineering Contractors	\$217,373.0	Bid Withdrawn
Absolute Building Services, Inc.	\$406,000.0	Bid Withdrawn
PCN3, Inc.	\$638,000.0	Able to Proceed

Since the bid opening, the low bidder, RAMCO and the second low bidder, Absolute Building Services, have withdrawn their bids indicating that they had made errors in their bids. PCN3, INC has indicated that they can proceed with the bid. PCN3, Inc. has provided references and the documentation for contractor licensing and State DIR contractor registration in his bid in compliance with the bid documents. However at this time PCN3, Inc bid amount in combination with the needed construction management support costs, will exceed the Council budget of \$500,000.

ALTERNATIVES:

1. Cancel all bids and re-advertise the project

Per the Contract Specifications, the City reserves the right to reject any or all bids. If this option is exercised, it would add about 4-6 weeks to the start of the project and may or may not result in lower bids.

2. Award the bid and increase budget during mid-year budget adjustment

At this time the allocated budget is \$500,000. With this option, Council will have to allocate an additional amount of \$266,000 as follows:

Bid amount	\$638,000.0
Construction Management (10%)	\$ 64,000.0
Contingencies (10%)	<u>\$ 64,000.0</u>
Total	\$766,000.0

3. Provide other direction

FISCAL IMPACT:

Depending on the selected alternative, fiscal impacts could vary from no impact to additional future budget amounts of up to \$266,000 for a total of \$766,000.0

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is consistent with the Strategic Action Plan Guiding Principal "Maintain and prioritize improvements to city facilities and infrastructure in accordance with adopted master planning documents including the Green Zone Action Plan to accomplish achievable annual and long term goals."

Prepared by: Maryam Babaki, Director of Public Works & Development Services

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Administrator

ATTACHMENTS:

Attachment 4, PCN3 Bid
Resolution