



CITY OF COMMERCE AGENDA REPORT

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

FROM: City Administrator

SUBJECT: Bid Results for the Senior Center/Library Plaza Improvement Project

MEETING DATE: April 3, 2018

RECOMMENDATION:

Approve a resolution rejecting all bids for the Senior Center/Library Plaza Improvement Project and re-releasing the Plans and Specifications for bidding.

BACKGROUND:

On January 9, 2018, the City Council approved the Plans and Specifications for the Senior Center/Library Plaza Improvement Project and authorized advertising for bids. The project consists of the following:

Senior Center Plaza

- Overhead entry canopy with wood ceiling, new columns, new suspension steel cables, and new lighting at main entry to City Council Chambers.
- Modification of existing canopy at entry to City Council Chamber to be compatible with new overhead entry canopy, provide covered canopy at ramp from the west, a new covered patio area to the east of the entry, and new lighting.
- Water feature at City Council Chambers entry steps.
- Landscape and hardscape.
- Removal of existing decorative cement block wall and addition of glass and aluminum framed storefront system for modern/contemporary façade wall.





Library Plaza

- Creation of a large staging area at the Central Library foyer;
- Enlargement of the plaza area by approximately 20%;
- Replace existing decorative cement block wall with glass and aluminum framed storefront for modern/contemporary façade wall with laser cut artwork/signage on some panels.
- New wood ceiling and solar tubes for natural lighting of existing overhead entry canopy;
- Addition of lighting and audio speakers; and
- Addition of a small patio area which will accommodate a maximum of 93 people.



The bid deadline was March 14, 2018. Seven bids were received as follows:

| Bidder | Bid Amount |
|---|----------------|
| MTM Construction, Inc. | \$2,575,658.31 |
| Horizons Construction Company, Inc. | \$2,647,000.00 |
| General Consolidated Constructors, Inc. | \$2,894,000.00 |
| Minako America Corporation, d.b.a. Minco Construction | \$2,998,770.00 |
| Ruiz Brothers Construction Co., Inc. | \$3,338,400.86 |
| ACT 1 Construction, Inc. | \$3,450,000.00 |
| Woodcliff Corporation | \$4,100,000.00 |

Recently, the U. S. Government announced pending legislation for a tariff on all imported foreign steel and aluminum products. This resulted in a substantial price increase by U.S. steel mills starting mid March and uncertainty for delivery of material since many contractors placed orders to secure pricing before the increase went into effect. Since the Plaza Project requires considerable steel and aluminum such as for the canopy structure, framing studs and HVAC ductwork along with miscellaneous sheet metal, the tariff directly impacted the bid results.

After careful analysis of the bids, the timing of the tariff legislation and in the best interest of the City, staff recommends rejecting the bids and allowing some time for the market to adjust and contractors to better estimate costs and material delivery commitments. As a result, staff recommends re-releasing the Plans and Specifications with a 45-day release period.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

The project is not fully funded. As previously reported, the estimated total project cost for the Senior Center-Library Plaza Improvement Project is \$2,440,000. There is currently \$1,387,121.89 in account #41-5180-57010.14604 for this project. Staff will return to award an agreement and request a supplemental appropriation following the bid process, which should coincide with the budget process and CIP funding prioritization.

Approved by: Maryam Babaki, Director of Public Works and Development Services
Prepared by: Gina Nila, Deputy Director of Public Works Operations
Reviewed by: VilkoDomic, Finance Director
Approved as to form: Noel Tapia, City Attorney
Respectfully submitted: Edgar Cisneros, City Administrator

