



# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: October 16, 2018

Agenda Item 6-F  
Approvals:  
City Manager [Signature]  
Dept. Head [Signature]  
Attorney [Signature]  
Finance [Signature]

**Department:** Public Works / Engineering  
**Prepared By:** Shawn Ryan, Associate Civil Engineer

**Subject:** *CONSTRUCTION CONTRACT AWARD TO HARBOR COATING AND RESTORATION FOR THE CORPORATION YARD BLDGS./STRUCTURES PAINTING PROJECT, PROJECT NOS. 16529 AND 26407.*

**Fiscal Impact:** Yes. The estimated total project cost of \$438,000 is within the approved project budget amount of \$440,000. However, a supplemental appropriation in the amount of \$68,000 from the Sewer Depreciation Fund is recommended to properly allocate costs for facilities improvements between Utilities and Maintenance Services. This provides for a savings of \$70,000 to the General Fund – Facilities Maintenance Reserve. There are sufficient funds in the Sewer Depreciation Fund for the supplemental appropriation.

**Summary:** Staff recommends that City Council approve a construction contract with Harbor Coatings and Restoration in the amount of \$347,881 for the Corporation Yard Bldgs./Structures Painting project.

**Background:** This project involves the removal and replacement of existing caulking on the facilities at the Corporation Yard and Water Reclamation Plant. The existing caulking is approximately 30 years old and exceeded its useful life. Based on the age of facilities, new caulking and sealing is required to ensure proper thermo-insulation, maintain energy efficiency as well as block gasses, liquid or steam from entering or escaping the building envelope.

**Discussion:** Plans and specifications were prepared in-house by City staff. The project scope includes power washing of the buildings, removing and replacing the existing caulking on buildings A, E, H, I, J, K, L, M, O, and P. Additionally, as-needed exterior wall stucco repairs on the listed facilities will be performed at various locations around the Corporation Yard and Water Reclamation Plant as the work progresses from building to building. The proposed improvements are specified with high quality caulking and sealing products estimated to provide a 20-year service life.

The project was advertised for public bidding and two electronic bids were received via the City's PlanetBids system on September 20, 2018. The results from the bid opening are presented in the attached Bidder's Listing. The lowest responsive and responsible bid of \$347,881 was received from Harbor Coating and Restoration from Orange, California.

Based on the low bid, project costs are estimated as follows:

Engineering Design/Administration	\$35,000
Construction	\$347,881
Construction Management & Inspection	\$20,000
<u>Construction Contingency (10%)</u>	<u>\$35,000</u>
Estimated Total Project Cost (rounded up)	\$438,000

The project was budgeted with funding contributions from the General Fund - Facility Maintenance Reserve and the Utilities Enterprise Funds - Water and Sewer Depreciation. As part of the bid, work quantities were proportionally distributed between the buildings utilized by Maintenance Services and Utilities and calculated to be 23% and 77%, respectively. This differs from the 40% and 60% funding allocations used to initially budget the project from the aforementioned funding sources. It is appropriate for each of the end users to fund the work based on actual bid quantities. As a result, a supplemental appropriation in the amount of \$68,000 is needed from the Sewer Depreciation fund to account for the cost of the actual bid quantities. The proposed supplemental appropriation reduces the impact to the General Fund - Facility Maintenance Reserve by \$70,000. These funding allocation changes are shown on the table below. Note that the \$2,000 difference between the requested supplemental appropriation and General Fund reduction is because the total project cost is \$2,000 under the original approved budget.

<i>Project</i>	<i>Funding Source</i>	<i>Original Funding Amount</i>	<i>Funding Addition</i>	<i>Funding Deduction</i>	<i>Total Funding</i>
Corporation Yard Bldgs.	General Fund-Facility Maintenance Reserve	\$170,000	\$0	\$70,000	\$100,000
Structures Painting Project	Utilities Enterprise Funds	\$270,000	\$68,000	\$0	\$338,000

As required by City Policy and State Law, the Contractor will be required to provide performance and payment bonds simultaneously with execution of the construction contract. A warranty bond will also be required prior to City Council acceptance of the project.

**Recommended Action:**

STAFF RECOMMENDS THAT the City Council:

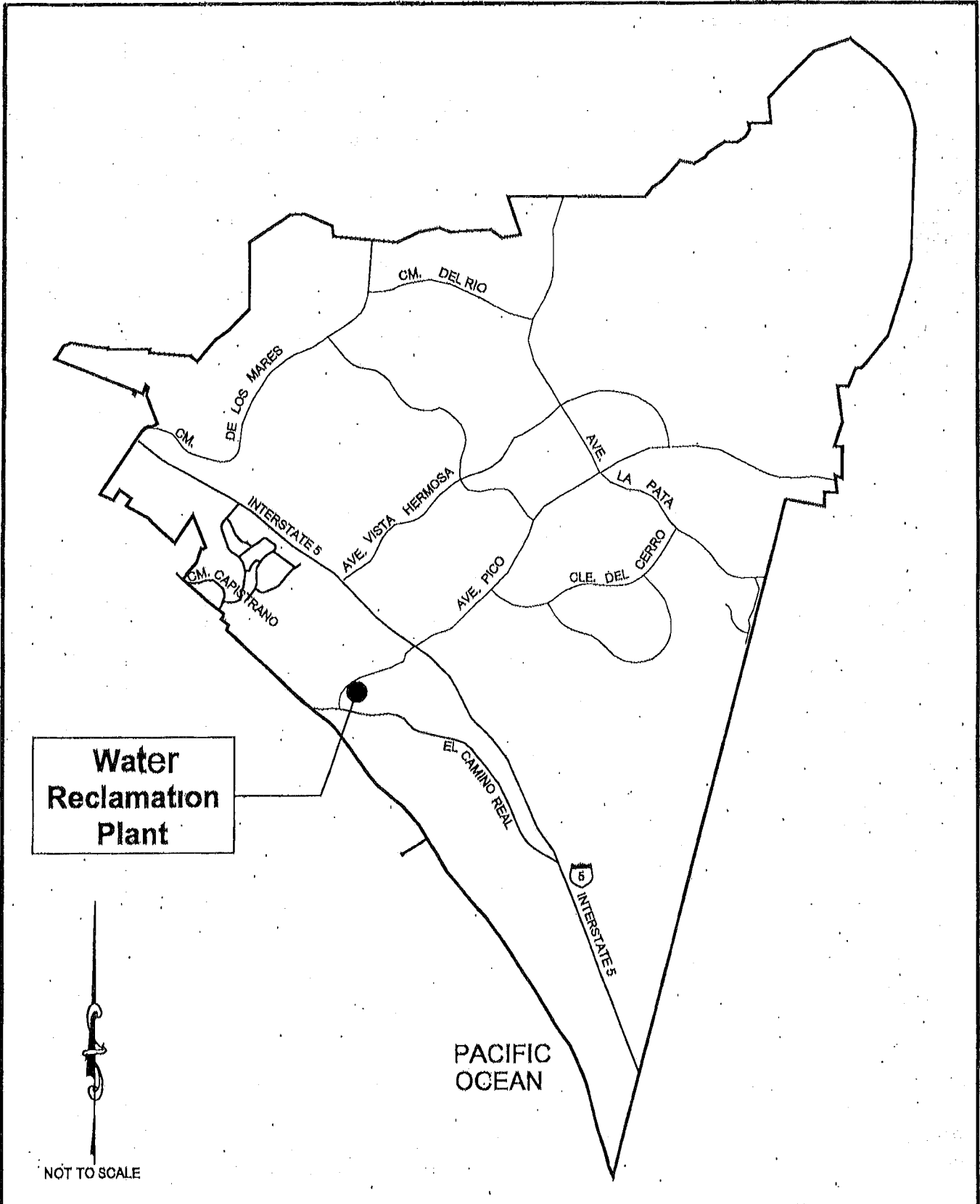
1. Approve the plans and specifications for the Corporation Yard Bldgs./Structures Painting Project Project Nos. 16529 and 26407;
2. Approve a supplemental appropriation of \$68,000 from the Sewer Depreciation Reserve Fund to Account No. 054-476-434700-000-26407; and
3. Approve and authorize the City Manager to execute, Contract \_\_\_\_\_, in the amount of \$347,881 by and between the City of San Clemente and Harbor Coating

and Restorations Company, providing for construction of the Corporation Yard Bldgs./Structures Painting, Project Nos. 16529 and 26407.

- Attachments:**
1. Location Map
  2. Bidder's Listing

**Notification:** None.


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**Water  
Reclamation  
Plant**



PACIFIC  
OCEAN

	<p><i>City of San Clemente</i></p> <p>910 Calle Negocio, Suite 100 San Clemente, CA 92673 Tel (949) 361-8100 Fax (949) 361-8316</p>	<p><b>LOCATION MAP</b></p>
	<p><b>Water Reclamation Plant</b></p> <p>10-16-18 / 6F-4</p>	

**ATTACHMENT 2**

Bid Results for Corporation Yard BLDGS./ Structures Painting (16529 & 26407)

Issued on 08/27/2018

Bid Due on September 20, 2018 2:00 PM (Pacific)

	<u>Bidder</u>	<u>Bid Amount</u>
1	Harbor Coating & Restoration	<b>347,881.00</b>
2	AJ Fistes Corporation	<b>383,871.00</b>