

REPORT TO CITY COUNCIL

DATE: AUGUST 22, 2007

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: RAMIRO ADEVA, CITY ENGINEER

SUBJECT: NOTICE OF COMPLETION FOR THE SUMAC SHADE STRUCTURE PROJECT; NIB 04-08

As part of the 2006-07 fiscal year budget, the Council authorized the use of \$30,000 of City funds to construct the Sumac Park shade structure. Following discussions between the City and the Fountainwood HOA, it was determined the project would consist of a 20'x30' pre-fabricated steel structure with its columns clad by a ledgestone veneer similar to the City's park monument signs.

On November 14, 2006, the City Clerk opened sealed bids from three contractors in which the low bid was \$72,000 which included a 10% contingency. In discussing the project with several bidders, it was evident that the pre-fabricated structure cost was as anticipated (around \$16,000), but the remaining work was bid high due to the small scope of work for the job.

Given staff's experience in the second bid process for this project, the following options were presented to Council for consideration:

1. Award a construction contract to the apparent lowest responsible and responsive bidder, and complete the project as proposed;
2. Reject all bids and re-visit this project during next fiscal year's budget development sessions;
3. Reject all bids and direct staff to pursue construction of this project via the "multi-prime contractor" method.

At the January 10, 2007 meeting, the City Council chose Option 3 which required the preparation and oversight of separate bid and construction processes by staff. This process typically reduces the cost of each trade required, and thus reduces the overall project costs. Staff contacted contractors to get estimates for the subcontracts needed to construct the project. The result was a full project estimate of \$45,000, including contingency. While this was more labor-intensive for staff, it was successful in reducing the project's overall cost. An additional \$15,000 was transferred into the project account from the General Fund Reserves under the 2006-2007 Budget.

The actual total cost for the project was \$42,320.47. The following is a breakdown of the costs associated with each phase of work:

1. Purchase of shade structure	\$15,223.04
2. Demolition and slab preparation	\$ 7,294.66
3. Installation of shade structure	\$ 3,000.00
4. New slab and stone columns & caps	\$15,350.00
5. Miscellaneous	\$ 1,452.77

The work was completed within budget, performed to the satisfaction of staff, and is expected to serve the community well for many years to come.

RECOMMENDATION

Staff respectfully recommends the City Council:

1. Approve and accept as complete the work for the Sumac Shade Structure Project; NIB 04-08; and,
2. Authorize the City Engineer to sign the Notice of Completion for the project and authorize the City Clerk to forward the Notice of Completion to the County recorder for recordation.