



SHOREWAY OPERATIONS AND CONTRACT MANAGEMENT



STAFF REPORT

To: SBWMA Board Members
From: Hilary Gans, Facility Operations Contracts Manager
Date: May 28, 2015 Board of Directors Meeting
Subject: Resolution Authorizing the Executive Director to Accept Bids and Enter into Contract for MRF Canopy Construction

Recommendation

It is recommended that the SBWMA Board of Directors approve Resolution No. 2015-11 attached hereto authorizing the following action:

- Authorizing the Executive Director to accept bids and enter into a contract for MRF canopy construction with the qualified low bid contractor.

Summary

The Board has approved SBR to accept third party tons at the MRF in exchange for the payment to the JPA of a host fee for each third party ton. A portion of the host fee is intended to pay for the construction of an expansion to the MRF tipping area to ensure that there is adequate storage area for inbound materials as required by the facility permit. Only one contractor responded to the April 7th, 2015 bid solicitation so the canopy project was rebid on May 14th with the expectation of a more competitive bid response. On May 14th three qualified bidders responded with RC Benson & Sons being the low-bid at \$362,700.

Analysis

The first MRF canopy construction bid solicitation was on April 7th and resulted in one bid from Rodan Construction in the amount of \$495,375. The Rodan bid was well over the engineer's estimate of \$411,151 and exceeded the total project budget of \$450,000. This bid was rejected and the project was rebid with new bids due on May 14th. For the second bid solicitation, the construction management firm of The Covello Group aggressively recruited bidders: 18 construction companies were contacted, seven companies attended the non-mandatory pre-bid meeting on May 6th, and three companies submitted bids on May 14th. The three construction bid results, presented in the table below, are closely clustered with a \$28,300 (8%) spread between the high and low bidders. Staff believes that the three construction companies are all qualified to perform the MRF Canopy construction work and recommends that a contract be negotiated with the low bidder RC Benson & Sons.

Contractors and Bids for MRF Canopy

- 1) RC Benson & Sons - \$362,700
- 2) Diede Construction - \$386,900
- 3) Rodan Construction - \$391,000

RC Benson & Sons is a family owned contractor located in Mountain View California that specializes in small commercial construction projects in the \$5 million size range. RC Benson has completed projects locally for clients such as Lockheed, NASA, National Semiconductor, Hewlett Packard, and Stanford Medical Center. Specific to steel building fabrication work, RC Benson has recent experience doing roof work and steel structures for equipment support and recently completed a 10,000 square foot two-story steel building at Stanford. They

have experience working with the public sector and have worked on projects for local school districts. Covello conducted a construction reference check with staff at Jefferson Elementary School, RC Benson's most recent public construction project, and the RC Benson was recommended "without any reservation". Also, in support of RC Benson's qualifications, is their safety / accident rate is better than the industry average.

Due to the location and nature of the MRF canopy construction work, the unloading area for recycling collection vehicles and truck flow will be limited for six to eight weeks during construction work. To mitigate the operational impacts, SBR plans to redirect recyclable materials from the MRF to the transfer station during peak unloading periods and shuttle these materials to the MRF during off-hours. The SBWMA has budgeted an additional \$15,000 for the anticipated labor expense to SBR of maintaining an additional onsite truck operator during the project construction.

Background

The tipping area roof extension construction project was budgeted to be completed in FY1415 and the estimated \$450,000 cost for the project is to be recovered through host fee revenues paid by SBR for each third party ton received at Shoreway (the third party tonnage and the payment of the MRF canopy construction costs through tip fee revenues has been discussed at three prior board meetings [June 26, 2014, July 24, 2014, and November 20, 2014] and the canopy cost estimates and financial payback for the project were also presented). At the June 26, 2014 meeting, the Board approved the hiring of JR Miller and Associates (the architectural firm that did the original MRF design) to prepare a preliminary design and an engineer's estimate for the MRF tipping floor canopy extension. The estimated cost of the construction project was \$411,151 as shown in **Table 1** and a capital project budget amount of \$450,000 was adopted for FY1415 that included an estimated construction management cost of \$37,000.

Table 1
SOUTH BAY WASTE MANAGEMENT AUTHORITY
MRF CANOPY EXTENSION
Engineers Estimation of Probable Cost of Construction

Revised March 31, 2014

MASTER PLAN IMPROVEMENTS						
BUILDING/ SITE AREA		DESCRIPTION OF WORK	QUANTITY	SF / LF	UNIT COST	EXTENDED VALUE
STRUCTURAL IMPROVEMENTS						
	Demolition and Slab	Remove Existing Concrete Slab	2,720	SF	\$3.60	\$9,792
		Remove existing canopy	374	SF	\$30.00	\$11,220
		Remove existing bollard	3	EA	\$240.00	\$720
		Remove portion of concrete abuse wall	48	SF	\$4.80	\$230
		Remove metal wall panel and framing	64	SF	\$9.60	\$614
		New 14" thick concrete slab	2,720	SF	\$3.60	\$9,792
		New 12" thick concrete pushwall	18	CY	\$300.00	\$5,400
		New 6" high concrete curb	18	SF	\$20.40	\$367
		8"d x 3'-6" tall concrete filled steel bollard	5	EA	\$1,440.00	\$7,200
TOTAL STRUCTURAL IMPROVEMENTS						\$45,336
PEMB						
	Canopy framing	PEMB Canopy	2,720	SF	\$80.40	\$218,688
					\$0.00	\$0
					\$0.00	\$0
					\$0.00	\$0
					\$0.00	\$0
					\$0.00	\$0
					\$0.00	\$0
TOTAL PEMB						\$218,688
Architecture						
	Canopy Finishes	Light fixtures	4	EA	\$420.00	\$1,680
		Relocated downspout	1	EA	\$240.00	\$240
		Painted, 20 gauge galvanized flashing	200	LF	\$12.00	\$2,400
		Additional girt/backing	105	LF	\$12.00	\$1,260
		Fire Suppression	2,720	SF	\$5.40	\$14,688
		Replace trim and flashing at opening	28	LF	\$30.00	\$840
		General Painting and touch-up	1	EA	\$2,400.00	\$2,400
		Skylights	4	EA	\$1,800.00	\$7,200
TOTAL Architecture						\$30,708
SUBTOTAL PROBABLE COST OF CONSTRUCTION						\$294,732
	General Conditions				8%	\$23,579
	Design and Engineering Fees				10%	\$29,473
	General Contractors Overhead and Fees				10%	\$29,473
	Bonds and Insurance				2%	\$4,421
	Contingency				10%	\$29,473
TOTAL ESTIMATED PROBABLE COST OF CONSTRUCTION						\$411,151

Fiscal Impact

The host fee for third-party tons was increased from \$10.30 to \$13.37 in 2015 to cover the added cost of the MRF canopy project. In addition to covering the direct expenses of the canopy construction, the SBWMA will have a host fee revenue margin of \$5.38 per ton or \$140,310 per year. Since the construction project is scheduled to be completed in FY1516, the amount of \$450,000 has been included in the FY1516 capital budget. The FY1516 facility operations budget has been increased by \$15,000 to account for the operational impacts and labor cost of the construction on SBR.

Attachments:

Resolution 2015-11



RESOLUTION NO. 2015-11

RESOLUTION OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS AUTHORIZING THE EXECUTIVE DIRECTOR TO ACCEPT BIDS AND ENTER INTO CONTRACT FOR MRF CANOPY CONSTRUCTION

WHEREAS, the SBWMA has approved SBR to process additional third party tonnage at the MRF in addition to the franchise recycling in exchange for the payment of a host fee; and

WHEREAS, the additional third party tonnage requires the MRF tipping area to be expanded to ensure compliance with solid waste regulations; and,

WHEREAS, the SBWMA has solicited and received competitive bids for the construction of the MRF tipping area canopy.

NOW, THEREFORE BE IT RESOLVED that the South Bayside Waste Management Authority hereby approves the Executive Director to accept and enter into contract for MRF canopy construction.

PASSED AND ADOPTED by the Board of Directors of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 28th day of May, 2015, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton					Menlo Park				
Belmont					Redwood City				
Burlingame					San Carlos				
East Palo Alto					San Mateo				
Foster City					County of San Mateo				
Hillsborough					West Bay Sanitary Dist.				

I HEREBY CERTIFY that the foregoing Resolution No. 2015-011 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on May 28, 2015.

ATTEST:

Bill Widmer, Chairperson of SBWMA

Cyndi Urman, Board Secretary