



Agenda Item No. 2.b.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of May 22, 2008

From: Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
b) **BUDGET INCREASE IN THE FY 07/08 BUS TRANSIT DIVISION**
CAPITAL BUDGET RELATIVE TO AWARD OF CONTRACT NO.
2008-BT-2, SAN RAFAEL DISTRICT ADMINISTRATION
BUILDING HVAC IMPROVEMENTS

Recommendation

This matter is being presented to the Finance-Auditing Committee to receive the Committee's concurrence for a budget increase relative to Contract No. 2008-BT-2, *San Rafael District Administration Building HVAC Improvements*.

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2008-BT-2:

1. Authorize award of Contract No. 2008-BT-2 to Best Contracting Services, Inc., Hayward, CA, in the amount of \$597,500;
2. Authorize a construction contingency fund for Contract No. 2008-BT-2, in an amount of \$59,750, equal to 10% of the contract award; and,
3. Approve a budget increase in the FY 07/08 Bus Division Capital Budget in the amount of \$380,000, bringing the total project budget to \$880,000, to be financed from District reserves, subject to the concurrence of the Finance-Auditing Committee at its meeting of May 22, 2008.

Summary

The San Rafael District Administration Building is a two story building constructed in 1987 to provide administrative office space for District Administration and Development Staff. The building currently has four original, twenty-year-old heating, ventilating, and air conditioning (HVAC) units that provide two heating/cooling zones for each floor. This project, Contract No. 2008-BT-2, *San Rafael District Administration Building HVAC Improvements*, will upgrade the entire building HVAC system by removing the four existing HVAC rooftop units, install eight

new energy efficient and environmentally friendly rooftop units, and re-configure and construct the system ductwork to provide eight individual zones throughout the building. The project will also replace the existing 20-year-old roof, provide fire detection for the offices in the building, and modify portions of the interior partition walls on the second floor.

Contract No. 2008-BT-2, *San Rafael District Administration Building, HVAC Improvements*, was advertised for bids on April 8, 2008. On May 6, 2008, the following five bids were received, opened and publicly read:

<u>COMPANY</u>	<u>TOTAL AMOUNT</u>
1. Best Contracting Services, Inc. Hayward, California	\$597,500
2. Page Construction Company Novato, California	\$634,360
3. KCK Builders, Inc. San Rafael, California	\$790,000
4. Allied Heating & Air Conditioning, Inc. San Rafael, California	\$862,200
5. M.A. Davies Builders, Inc. San Rafael, California	\$973,079

The Engineering staff, DBE Program Office and Attorney have evaluated the bids and concluded that the apparent responsive, responsible low bidder is Best Contracting Services, Inc., with a bid price of \$597,500.

No contract-specific Disadvantaged Business Enterprise (DBE) goal was established for this contract. However, bidders were strongly encouraged to obtain DBE participation and were required to document their activities in the solicitation and selection of subcontractors, subconsultants, and suppliers to ensure that this process was carried out in a nondiscriminatory manner. The DBE Program Administrator has determined that Best Contracting Services, Inc. has complied with the DBE requirements applicable to the contract. At this time, a 3.6% DBE participation is anticipated during the performance of this contract.

Fiscal Impact

This project is included in the FY 07/08 Bus Division Capital Budget in the amount of \$500,000 and is 100% District funded. To date, approximately \$30,050 has been spent to support the design of this project. A capital budget increase in the amount of \$380,000 funded from District reserves is required to fully fund this project at the estimated total cost of \$880,000. The detailed budget for this project described on the next page is as follows:

<u>BUDGET ITEM</u>	<u>COST</u>
Design (staff & consultant)	\$ 30,050
Contract No. 2008-BT-2	597,500
Construction Contingency (10%)	59,750
Construction Support Services (consultants)	5,700
Construction Administration (staff time)	157,000
Furniture and partitions	20,000
Miscellaneous (printing, advertisement, mailing, etc.)	10,000
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TOTAL BUDGET	\$880,000