



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: June 8, 2021

TO: Honorable Mayor and Members of the City Council

FROM: Jovan Grogan, City Manager

Prepared By: Hae Won Ritchie, Interim Public Works Director

SUBJECT: Adopt Resolution

- Approving the Design of the Recreation and Aquatics Center;
- Authorizing the City Manager to Execute a Construction Contract with Lathrop Construction, Inc. for the Project in an Amount Not to Exceed \$43,031,000;
- Approving a Construction Contingency of \$4,687,046;
- Authorizing the City Manager to Execute an Agreement with Ninyo & Moore Inc. to Provide Geotechnical Engineering and Materials Testing and Inspection Professional Services for the Project in an Amount Not To Exceed \$ 396,262; and
- Approving a Total Project Budget in the Amount of \$59,980,228

BACKGROUND:

In 2015, the San Bruno Community Foundation (SBCF) conducted a broad-based Community Listening Campaign to identify the community's priorities for use of the restitution funds received following the 2010 PG&E gas pipeline explosion in San Bruno's Crestmoor neighborhood. To narrow the results of the Listening Campaign, the City conducted a subsequent facilitated community discussion in 2016 to establish community facility prioritization, which identified replacement of the Veterans Memorial Recreation Center and Swimming Pool as the community's highest priority.

The new Recreation and Aquatics Center Project (Project) is planned as a single project to be located in San Bruno City Park, 251 City Park Way, in the same general area as the existing Veterans Memorial Recreation Center. The Project consists of three separate phases. The first phase of work included the conceptual design of the new Recreation and Aquatics Center. The second phase included the development of schematic design plans and construction drawings, and the third phase is project construction.

On December 12, 2017, the City Council approved a contract with Group 4 Architecture Research and Planning, Inc. (Group 4) for the development of the conceptual design (Phase I) of the new community facility. The development of the conceptual design included several components such as program alternatives, site analysis and alternatives, building alternatives, project budget and operating strategies, analysis and evaluation of identified alternatives, selection of recommended alternative, conceptual design package and budget,

and public engagement. Group 4 facilitated a community engagement process to obtain feedback and participation in program design and features of the new Recreation and Aquatics Center. Community feedback collected from over 1,700 participants, in conjunction with input and review by City staff and several Commissions, was used to assist in the development of program enhancements, design values and strategies, site options and exterior materials. The City also developed a Recreation and Aquatics Center Advisory Committee (RAC Committee) to serve as a working committee. The RAC Committee was comprised of two Councilmembers, two members of the San Bruno Community Foundation Board, two members of the San Bruno Park and Recreation Commission, and several City staff members.

On July 24, 2018, the City Council approved a contract with Group 4 for the development of the design and construction documents (Phase II). The scope of work included six main tasks: schematic design development; design development and review; construction documents/plan check at 90%; bid documents and back check; support to bidding and award of the construction contract; and construction support. The project includes the realignment of City Park Way, improvements to the parking lot and landscaping along City Park Way in addition to demolition of the existing facilities and the new construction.

Due to limited staff resources, the City determined it was unable to dedicate a staff person to perform as project manager on this Project. The City Council approved an agreement with Griffin Structures in March 2019 to provide comprehensive project and construction management services to manage the design and construction phases of the Project. The firm is serving as the City's representative and overseeing the work of the architect, builder, and subcontractors to ensure that the Project is completed in conformance with the City's scope, quality, schedule and budget requirements.

The Project design was completed in January 2021. The Project was advertised in April 2021 to benefit from an anticipated favorable bidding climate. The Project is expected to receive remaining permits and be prepared to commence with construction in August 2021.

DISCUSSION:

Due to the unique nature of the project and its importance to the community, the City determined a Contractor Prequalification effort was in the City's best interest so as to provide the best value to the community. The prequalification process utilized the State of California's Dept. of Industrial Relations' *Pre-Qualification of Contractors Model Questionnaire* as its base template, and on June 22, 2020 the City issued the General Contractor Pre-Qualification Questionnaire for the San Bruno Recreation and Aquatic Center project.

The intent of the prequalification process was two-fold:

1. Provide the maximum number of bidders to encourage a competitive bid environment and
2. Narrow the bid pool to only those bidders deemed qualified to bid on the project based on the criteria established in the questionnaire.

The City received a total of eight submissions for prequalification, and after review, determined that six were prequalified Contractors permitted to bid on the project:

1. Amoroso Construction
2. BHM Construction
3. Lathrop Construction
4. Overaa Construction
5. Swinerton Builders
6. Thompson Builders

On January 15, 2021, staff issued a notice inviting bids for the construction of the Project. The notice to bidders was sent to the six pre-qualified general contractors and posted on the City's website as well as at Barker Blue for general distribution. Staff held a mandatory pre-bid meeting on January 27, 2021.

A total of six bids were received and opened on March 23, 2021 with bids received ranging from \$40,665,457 to \$46,650,000.

Included in the bids were eight additive alternate bids.

1. Outdoor Pool and Deck
2. Backup Generator and Enclosure
3. Topping Slab
4. Wood Wall Treatment at Natatorium
5. Wood Exterior Improvement (voided per Planning Commission)
6. Extension of Glazing at Entry Trellis
7. Soffit at Balcony
8. Exterior Sunshade
9. Creek – Segment B

Due to budgetary concerns and uncertainty as to which if any add alternates the City could afford, the Basis of Award was identified as the Base Bid plus Add Alternates 1 and 2. These were selected as they were considered important elements of the project and would benefit from being included in the Basis of Award, as such an inclusion historically encourages more competitive pricing. Accordingly, the bids were received as follows:

No.	Contractor Name	Base Bid Total	Total of Add Alts 1 and 2	Total of Base Bid and Add Alternates
1	BHM Construction, Inc.	\$37,884,457	\$2,781,000	\$40,665,457
2	Thompson Builders Corporation	\$39,048,000	\$2,913,000	\$41,961,000
3	Lathrop Construction Associates, Inc.	\$39,995,000	\$2,480,000	\$42,475,000
4	S.J. Amoroso Construction Co., LLC	\$40,997,000	\$2,700,000	\$43,697,000
5	Swinerton Builders	\$43,523,000	\$2,675,000	\$46,198,000
6	C. Overaa & Co.	\$43,750,000	\$2,900,000	\$46,650,000
	Architect's Estimate	\$48,905,884	\$3,205,866	\$52,111,750

In its due diligence, the City, with the assistance of Griffin Structures performed a post-bid analysis of all the bidders for bid responsiveness, and also performed additional review and research to reconfirm the prequalification status of the low bidders. During this due diligence period the City learned additional information leading to the conclusion that the two low bidders (BHM Construction and Thompson Builders) did not meet all of the prequalification requirements, and they were informed that their bids would not be considered. The City did not receive any challenge or protest from either company by the deadline established in the bid documents.

In its evaluation of Lathrop Construction, the No. 3 low bidder, the City found their bid to be responsive and their prequalification status intact and therefore deemed Lathrop Construction the lowest responsive and responsible bidder. The City issued a Notice of Intent to Award on May 21, 2021.

Given the favorable bid results and that all bids were substantially below the Architect's estimate, staff recommends that all of the Add Alternates be included in the Lathrop contract award. Therefore, the total Lathrop proposal recommended for award is as follows:

Base Scope	\$ 39,995,000
Alternate 1: Outdoor Pools and Deck	\$ 2,216,000
Alternate 2: Backup Generator & Enclosure	\$ 264,000
Alternate 3: Topping Slab	\$ 124,000
Alternate 4: Wood Wall Treatment at Natatorium	\$ 110,000
Alternate 5: Wood Exterior Improvement (voided)	\$ -
Alternate 6: Extension of Glazing at Entry Trellis	\$ 95,000
Alternate 7: Soffit at Balcony	\$ 58,000
Alternate 8: Exterior Sunshade	\$ 100,000
Alternate 9: Creek - Segment B	\$ 69,000
TOTAL	\$ 43,031,000

GEOTECHNICAL AND MATERIALS TESTING AND INSPECTION SERVICES

On January 29, 2021, the City issued an RFP for professional services to provide Geotechnical and Testing and Inspection services for the Project. The information was posted on the City's website as well as via Barker Blue for general dissemination to interested firms.

On March 5, 2021, five proposals for services were received from four firms ranging in cost from approximately \$208,000 to \$490,000.

The City reviewed each proposal based on an evaluation of the completeness of scope, a comparison of the total number of hours in each proposal, and an analysis of the hourly rates for the various disciplines required for comprehensive Geotechnical and Materials Testing

and Inspection services for the project. Based on this analysis, the City determined that Ninyo & Moore provided the best value proposal to the City.

FISCAL IMPACT:

The San Bruno Community Foundation (SBCF) has committed its intent to grant \$50 million to the City from the City-negotiated restitution settlement funds with PG&E for design and construction of this project. The cost for this phase of the project is part of the overall \$50 million budget. Following City Council award of the contract, staff will work with SBCF to execute a grant agreement to reimburse the City for expenses related to the project and construction management services for the Project.

The total cost for this Project, which is outlined below, is approximately \$59,980,228. Adequate funding is available in the Project budget.

Total estimated project costs are as follows:

Design (Group 4)	\$ 6,484,371
Environmental	\$ 82,500
Construction Management (Griffin Structures)	\$ 1,279,000
Geotechnical, T&I, Waterproofing, Commissioning Services	\$ 486,262
Construction Contract (Lathrop)	\$ 43,031,000
Contingency (11.32%)	\$ 4,687,046
Lara Field Parking Lot	\$ 1,161,953
Traffic signals, CityNet Fiber	\$ 850,000
Temporary space during construction	\$ 375,000
Furniture Fixtures and Equipment	\$ 1,013,000
Electronic systems and special equipment	\$ 25,000
Utility company connection and services	\$ 131,523
Fees / Administration / Business Plan	\$ 373,573
Approximate Total Project Cost	\$ 59,980,228

The following table outlines the anticipated total cost and proposed sources for the project.

Project Cost and Funding Sources Summary	
RAC Project Cost	
Base Project Cost (including outdoor pool & contingencies*)	59,424,228
Add Alternatives (for design)	556,000
Sub-total Base Project + Adds for Design Alternatives	\$ 59,980,228
Add Alternatives for Solar	1,298,843
Total	\$ 61,279,071
Funding Sources	
San Bruno Community Foundation Grant	50,000,000
Park In-Lieu Fund	1,720,000
YouTube Community Benefit Payment (1400/1450 Bayhill)	4,500,000
PG&E Settlement Funds, Ex Partee Disclosures	1,000,000
Residual Funds from the Crestmoor Neighborhood Rebuild Project	900,000
Water Fund	594,000
Sewer Fund	476,000
Measure A and Gas Tax Fund	750,000
City Art Fund	50,000
Subtotal	\$ 59,990,000
<i>* Total contingencies within the project cost = \$5.088M</i>	

At this time, there is not identified funding to finance the added cost to complete the solar system installation. Staff will seek grant funding and examine alternative financing models for the solar system, with the goal of amending the project scope once funds are secured.

ALTERNATIVES:

1. Reject all bids and direct staff to re-advertise the project. This action will delay the completion of the Recreation and Aquatic Center Project and may result in higher bid prices.
2. Do not award the construction contract and do not complete the project.

RECOMMENDATION:

Adopt Resolution:

- Approving the Design of the Recreation and Aquatics Center Project;
- Authorizing the City Manager to Execute a Construction Contract with Lathrop Construction, Inc. for the Project in an Amount Not to Exceed \$43,031,000;

- Authorizing the City Manager to Execute an Agreement with Ninyo and Moore to provide Geotechnical and Materials Testing and Inspection Services for the Recreation and Aquatics Center Project in an Amount Not to Exceed \$396,262;
- Approving a Construction Contingency of \$4,687,046; and
- Approving a Total Project Budget in the Amount of \$59,980,228.

ATTACHMENTS:

1. Resolution
2. Project Location Map
3. 2020-21 CIP Budget Sheets

DATE PREPARED:

June 1, 2021

DISTRIBUTION:

None.

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RESOLUTION NO. 2021- ____

RESOLUTION

APPROVING THE DESIGN OF THE RECREATION AND AQUATICS CENTER PROJECT;
AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT WITH LATHROP CONSTRUCTION, INC. FOR THE PROJECT IN AN AMOUNT NOT TO EXCEED \$43,031,000;
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH NINYO AND MOORE TO PROVIDE GEOTECHNICAL AND TESTING AND INSPECTION SERVICES FOR THE PROJECT IN AN AMOUNT NOT TO EXCEED \$396,262;
APPROVING A CONSTRUCTION CONTINGENCY OF \$4,687,046; AND
APPROVING A TOTAL PROJECT BUDGET IN THE AMOUNT OF \$59,980,228.

WHEREAS, in 2015, the San Bruno Community Foundation conducted a broad-based Community Listening Campaign to identify the community's priorities for use of the restitution funds received following the 2010 PG&E gas pipeline explosion in San Bruno's Crestmoor neighborhood; and

WHEREAS, the new Recreation and Aquatics Center Project (Project) is planned as a single project to be located in San Bruno City Park, 251 City Park Way, in the same general area as the existing Veterans Memorial Recreation Center; and

WHEREAS, on December 12, 2017, the City Council approved a contract with Group 4 Architecture Research and Planning, Inc. for the development of the conceptual design of the new community facility, and on July 24, 2018 the development of the design and construction documents; and

WHEREAS, the City Council approved an agreement with Griffin Structures in March 2019 to provide comprehensive project and construction management services to manage the design and construction phases of the Project; and

WHEREAS, due to the unique nature of the project and its importance to the community, the City determined a Contractor Prequalification effort was in the City's best interest so as to provide the best value to the community; and

WHEREAS, the City received a total of eight submissions for prequalification, and after review, determined that six were prequalified contractors permitted to bid on the project; and

WHEREAS, on January 15, 2021, the City issued a Notice Inviting Bids to the prequalified contractors and received six (6) sealed bids on March 23, 2021 with bids received ranged from \$40,665,457 to \$46,650,000; and

WHEREAS, the lowest and second lowest bidders' prequalification status were not confirmed during a post-bid analysis of bidders; and

WHEREAS, the third lowest bidder Lathrop Construction was determined to have submitted the lowest responsive bid in the amount of \$42,475,000, and was determined to be responsible; and

ATTACHMENT 1

WHEREAS, favorable bid results allows for the Base Bid and all eight Bid Alternates to be awarded; and

WHEREAS, the City issued a request for proposals for geotechnical and materials testing and inspection services and determined that Ninyo & Moore provided the best value proposal to the City; and

WHEREAS, the Adopted FY 2020-21 budget for the Project is sufficient to fund the construction contract with Lathrop Construction and total Project costs.

NOW, THEREFORE, BE IT RESOLVED that the City Council:
Approves the Design of the Recreation and Aquatics Center Project;
Authorizes the City Manager to Execute a Construction Contract with Lathrop Construction, Inc. for the Project in an Amount Not to Exceed \$43,031,000;
Authorizes the City Manager to Execute an Agreement with Ninyo and Moore to provide Geotechnical and Testing and Inspection services for the Project in an Amount Not to Exceed \$396,262;
Approves a Construction Contingency of \$4,687,046; and
Approves a Total Project Budget in the Amount of \$59,980,228.

Dated: June 8, 2021

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I, Melissa Thurman, City Clerk, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of San Bruno this 8th day of June 2021 by the following vote:

AYES: Councilmembers: _____
NOES: Councilmembers _____
ABSENT: Councilmembers: _____

ATTEST:

Melissa Thurman, MMC
City Clerk

Streets Capital

Neighborhood Traffic

Pedestrian Safety and Traffic-Calming Program - Oak and Crystal Springs Road

PROJECT #: **NEW**

Total Project Budget: \$ 800,000

DEPARTMENT: Public Works		FY2021-22							Total
FUNDING SOURCES	Prior Appropriations	Estimated Carryover	New Request	Total Appropriations	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2022-26 Budget
Measure A	-	-	225,000	225,000	-	-	-	-	225,000
Measure G	-	-	575,000	575,000	-	-	-	-	575,000
Total	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000

PROJECT APPROPRIATIONS									FY2022-26
	Prior Appropriations	Estimated Carryover	New Request	Total Appropriations	FY2022-23	FY2023-24	FY2024-25	FY2025-26	Budget
Design	-	-	200,000	200,000	-	-	-	-	200,000
Construction	-	-	600,000	600,000	-	-	-	-	600,000
Total	\$ -	\$ -	\$ 800,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000

Project Description: One of the CEQA mitigation measures for the Recreation & Aquatics Center (RAC) Project required the intersection of Oak and Crystal Springs Road to be signalized as recommended in the traffic impact analysis completed for the RAC Project.

Currently, the existing intersection has an all way stop control. The proposed project will remove the stop signs and replace with signalized intersection. The project aims to improve traffic circulation while providing safer pedestrian crossings.

The design and construction is anticipated to be completed in FY2021-22.



Project Details

Initial Funding Year	FY2021-22
Target Completion Year	FY2021-22
Expended as of June 30, 2020	\$ -

Facilities

Facilities

Recreation & Aquatic Center

PROJECT #: 51009

Total Project Budget: \$ 59,190,000

DEPARTMENT: Community Services

FUNDING SOURCES	Prior Appropriations	FY2021-22			FY2022-23	FY2023-24	FY2024-25	FY2025-26	Total FY2022-26 Budget
		Estimated Carryover	New Request	Total Appropriations					
San Bruno Community Foundation	25,500,000	17,844,146	8,811,032	26,655,178	15,688,968	-	-	-	42,344,146
Park-In-Lieu	-	-	-	-	-	1,720,000	-	-	1,720,000
YouTube Community Benefits	-	-	-	-	1,920,348	2,095,652	-	-	4,016,000
PG&E Settlement Funds, Ex Partee Disclosures	-	-	-	-	1,000,000	-	-	-	1,000,000
Crestmoor Project Remaining Balance	-	-	-	-	900,000	-	-	-	900,000
Water	-	-	-	-	636,000	-	-	-	636,000
Wastewater	-	-	-	-	868,000	-	-	-	868,000
City Art	-	-	-	-	-	50,000	-	-	50,000
Total	\$ 25,500,000	\$ 17,844,146	\$ 8,811,032	\$ 26,655,178	\$ 21,013,316	\$ 3,865,652	\$ -	\$ -	\$ 51,534,146

PROJECT APPROPRIATIONS	Prior Appropriations	Estimated Carryover	New Request	Total Appropriations	FY2022-23	FY2023-24	FY2024-25	FY2025-26	FY2022-26 Budget
Phase 1: Design	\$ 500,000	\$ 83,894	\$ -	\$ 83,894	\$ -	\$ -	\$ -	\$ -	\$ 83,894
Phase 2: Schematic Design & Construction	15,636,562	9,463,144	1,854,843	11,317,987	-	-	-	-	11,317,987
Phase 3: Construction	8,363,438	7,310,506	6,956,189	14,266,695	21,013,316	3,865,652	-	-	39,145,663
FF&E	-	-	-	-	-	-	-	-	-
Testing & Inspections	-	-	-	-	-	-	-	-	-
Tom Lara Field Parking Lot	1,000,000	986,602	-	986,602	-	-	-	-	986,602
Total	\$ 25,500,000	\$ 17,844,146	\$ 8,811,032	\$ 26,655,178	\$ 21,013,316	\$ 3,865,652	\$ -	\$ -	\$ 51,534,146

Project Description: In 2013, the San Bruno Community Foundation was created by the San Bruno City Council to manage a restitution settlement from Pacific Gas and Electric Company (PG&E) following the 2010 gas pipeline explosion in San Bruno's Crestmoor neighborhood. Following a broad board community input process to elicit recommendation from the public and community representatives on how to prioritize the settlement funds, the City Council authorized the design and construction of a combined aquatic and recreation center complex.

This new facility will allow for expanded services, space and opportunities for the San Bruno community. The swimming pool will be expanded to a year-round program from the current seasonal availability and will provide additional rental opportunities. The Recreation Center will provide a large community event room, expanded group and individual exercise opportunities, classroom and enrichment space, a divisible gymnasium, and indoor walking track.

Construction is anticipated to start in Fall 2021.



Project Details

Initial Funding Year	FY2017-18
Target Completion Year	FY2023-24
Expended as of June 30, 2020	\$ 7,655,854