



AGENDA REPORT

Meeting Date: December 6, 2011
Item Number: E-2
To: Honorable Mayor & City Council
From: Donielle Kahikina, Associate Project Manager
Subject: APPROVAL OF THE AWARD OF A CONTRACT TO W.E. O'NEIL CONSTRUCTION, INC. FOR THE LIBRARY RENOVATION PROJECT; AND APPROVING PLANS AND SPECIFICATIONS THEREFOR; AND
APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$3,525,500 TO W.E. O'NEIL CONSTRUCTION, INC. FOR THE CONTRACT WORK

Attachments: 1. Form of Contract

RECOMMENDATION

Staff recommends that the City Council move to approve the award of a contract to the lowest responsible bidder, W.E. O'Neil Construction, Inc. for the construction of the Library Renovation in the amount of \$3,205,000; approval of the construction contingency of \$320,500 and delegate the authority of approve change orders to the Director of Public Works & Transportation; approval of the plans and specifications for the Project, dated October 4, 2011, which are adopted and approved with respect to design criteria; and approval of the purchase order in the amount of \$3,525,500.

INTRODUCTION

In August of 2010, staff presented to the City Council a report on the findings of the Beverly Hills Public Library Renovation Feasibility Study. The City Council's direction was provided on moving forward with the renovation of the children's area of the Library as well as other space planning improvements, which will aid in streamlining customer service and minimizing the impact of reduced staffing levels.

The proposed contract is for renovation and expansion of the children's area of the Library, minor modification to a space designated to serve as a larger teen area, and reconfiguration of Circulation Services.

DISCUSSION

Johnson Favaro, a California licensed architect, was engaged to design the project. They developed a plan that would address the shortcomings of these areas of the facility, as detailed in the Feasibility Study, which impact the efficiency and service levels of the library operation.

The resulting project consists of approximately 16,500 SF of Library renovations including the children's area of the Library, Circulation lobby, and relocation of the Teen Zone. It also includes the incorporation of an automated material handling system to improve library efficiency in the face of reduced staffing and increased library usage.

Bid Process

The City sought to obtain bids from experienced tenant improvement building contractors for the construction. A prequalification procedure was utilized following the State guidelines. Among the items that the procedure required was construction experience in several recent, local, and similar completed projects. The process was advertised in the Beverly Hills newspapers, construction trade journals, and the construction documents were posted on the City's website.

Fifteen firms applied for prequalification. After examination of the submissions and through an objective scoring system, three firms were prequalified by staff. None of the rejected firms chose to appeal.

Bid Alternates

Two alternates were incorporated into the bid structure, primarily to allow for additional work to the building as envisioned if bids for the project came in under budget.

The bid alternates are as follows:

- Alternate #1 – Painting of Existing walls in the Circulation Lobby
- Alternate #2 – Wood cladding at Barrel Vault in the Children's Library area

Bid Results

On November 16, 2011, three bids were received from Bayley Construction, W.E. O'Neil Construction, and C.W. Driver Construction. The bid results are as follows:

| | O'Neil | Bayley | C.W. Driver |
|---------------------------|--------------------|--------------------|--------------------|
| Base Bid | 3,168,000 | 3,349,000 | 3,398,000 |
| Alternate #1 | 15,000 | 16,000 | 12,000 |
| Alternate #2 | 36,500 | 48,000 | 31,100 |
| 20 days delay | 0 | 20,000 | 20,000 |
| Basis of Selection | \$3,205,000 | \$3,407,000 | \$3,528,000 |

The bid documents specify that the low bidder is determined by the sum of the Base Bid, all alternate bids, and the compensable delay cost for twenty days. The bids were reviewed and the lowest responsible bidder is W.E. O'Neil. Based on the analysis of the results and in consideration that the pre-bid estimated cost of the work was \$3,534,000,

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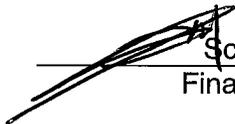
the project can be completed as envisioned within the approved budget. Therefore, staff recommends acceptance of the base bid and both alternates #1 and #2, resulting in a construction award amount of \$3,205,000.

The bid documents specify a 365 day (twelve month) completion period for the work. The anticipated project start is February 2011 with completion in February 2012.

A contingency of \$320,500 (10%) has been included in the purchase order to cover unforeseen conditions. Expenditures from the contingency are made utilizing the Change Order process in the Municipal Code upon adequate written justification and substantiation.

FISCAL IMPACT

The total contract amount of \$3,525,500 (including the contingency) has been budgeted for in the FY 11-12 Capital Improvement Program (CIP) budget approved by the City Council last June for the Library Facility Improvement Project #0838.



Scott G. Miller
Finance Approval



David D. Gustavson
Approved By

Attachment 1

APPENDIX A
FORM OF CONTRACT

This contract ("Contract") is entered into by and between the City of Beverly Hills ("City"), a California municipal corporation, and W.E. O'Neil Construction Co. of California, a California Corporation, whose address is 909 N. Sepulveda Blvd., Suite 400, El Segundo, CA 90245.

In consideration of the agreements herein contained, the parties agree as follows:

1. **WORK TO BE PERFORMED.** Contractor shall furnish at Contractor's own expense all labor, materials, supplies, equipment, tools, transportation and other items of expense necessary to complete in a workmanlike manner all Work in accordance with the terms and conditions of the Contract, except for the labor, materials, supplies, equipment, tools, transportation and other items of expense as may be required to be furnished by the City. The Work is defined in detail in the Contract Documents, which govern the interpretation and performance of this Contract, but may be generally described as follows:

CHILDREN'S LIBRARY REMODEL

2. **CONTRACT DOCUMENTS.** This contract consists of this Form of Contract and the following Contract Documents, including all exhibits, appendices, addenda, drawings, specifications and documents therein and attachments thereto, all of which are by this reference incorporated herein and made a part of this Contract:

- SECTION 1: NOTICE INVITING BIDS**
- SECTION 2: INSTRUCTIONS TO BIDDERS**
- SECTION 3: SPECIAL CITY REQUIREMENTS**
- SECTION 4: GENERAL SPECIFICATIONS**
- SECTION 7: ADDITIONAL FORMS**
- SECTION 8: GENERAL CONDITIONS**

- APPENDIX B: SCOPE OF WORK**
- APPENDIX C: PAYMENT PROCEDURES**
- APPENDIX D: BID FORM**
- APPENDIX E: TECHNICAL SPECIFICATIONS**

as contained in City's Bid Document for Bid No. 12-07, dated October 4, 2011 and

- SECTION 5: BIDDER'S BID**
- SECTION 6: SIGNATURE PAGE AND LEGAL STATUS**

of Contractor's Bid in response thereto, all of which are incorporated herein by reference, and all of which shall comprise the Contract Documents for this Contract. If any item of the Scope of Work, Payment Schedule, or any other item of the Bid Package is modified by either of the parties or arrived at by negotiation between the parties, that item as finally agreed upon by the parties shall also become a Contract Document, it shall supersede the corresponding item of the Bid Package, if any, and it shall be subject to all terms and conditions of the Contract.

3. **PERFORMANCE PERIOD.** Contractor shall commence Work after execution of the Contract, and shall complete all Work as described in Appendix B from the date of Notice To Proceed as set forth in the Contract Documents.

4. PAYMENT. City shall pay Contractor as full consideration for the satisfactory performance by Contractor of all Work required under this Contract the sum Three Million Two Hundred Five Thousand Dollars (\$3,205,000), payable as provided in the Contract Documents, inclusive of Alternate Bids #1 and #2.

5. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed as of the date stated below.

DATED: _____

CITY OF BEVERLY HILLS
"City"

BARRY BRUCKER
Mayor

ATTEST:

BYRON POPE
City Clerk

APPROVED TO FORM:

LAURENCE S. WIENER
City Attorney

DATED: _____

"Contractor"

By: _____

By: _____

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager

DAVID D. GUSTAVSON
Director of Public Works

ALAN SCHNEIDER
Director of Project Administration

KARL KIRKMAN
Risk Manager