

Agenda Report

TO: CITY COUNCIL

DATE: FEBRUARY 2, 2004

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO TWO CONTRACTS WITH SKS CONSTRUCTION, FOR STRUCTURAL STEEL IN AN AMOUNT NOT TO EXCEED \$642,240 AND FOR CONCRETE & REBAR IN AN AMOUNT NOT TO EXCEED \$248,600 FOR THE GLENARM POWER PLANT SEISMIC REPAIRS, PHASE I

RECOMMENDATION

It is recommended that the City Council:

- 1) Recognize and appropriate \$1,157,300 in unanticipated income from FEMA and appropriate \$1,157,300 to account number 71138, Glenarm Power Plant Seismic Repairs, Phase I, to cover the cost of services provided. FEMA will reimburse the City for eligible expenses from this funding.
- 2) Authorize the City Manager to enter into two contracts with SKS Construction for Structural Steel in an amount not to exceed \$642,240 and Concrete and Rebar in an amount not exceed \$248,600 for the Glenarm Power Plant Seismic Repairs, Phase I.

BACKGROUND

In the wake of the 1994 Northridge earthquake, the City commissioned an Architectural/Engineering Evaluation Report of the damage at the Glenarm Power Plant. Based on that report, the Federal Emergency Management Agency (FEMA) approved a Damage Survey Report (DSR) and eventually offered the City a Grant Acceleration Program (GAP) settlement in the amount of approximately \$1.3 million for repair of the seismic damage in accord with the provisions of the DSR. Of this amount, the City Council previously appropriated \$142,700 to cover design services in December 2002.

The City had previously considered redirecting those funds to an alternate project, and as a consequence took no steps to proceed with the Glenarm Power Plant retrofit. However, now that Art Center has entered into negotiations with the City to lease and develop the Glenarm building as a museum and gallery, along with related facilities, it is timely to initiate the seismic retrofit. The City has advised FEMA of its intent to proceed with the

retrofit in accord with the approved DSR, and FEMA has granted an extension to December 31, 2004, for the City to complete the work in two phases.

Phase I includes structural steel and concrete work for seismic retrofit of the building and Phase II includes repairs of plaster walls, ceramic tiles and the fountain.

Staff advertised the Invitation to Bid in the Pasadena Weekly on October 30, 2003, and posted it also on the City Website for Glenarm Power Plant Seismic Repairs, Phase I. The multi-prime contracts included three trades: 1) Hazardous Material Abatement; 2) Structural Steel; and 3) Concrete & Rebar. A total of fifteen Bid sets were picked up by contractors and the trade publications, and a total of four bids were received. There were two bids for Hazardous Material Abatement. Envirotech Industries Inc is the qualified and responsive and lowest bidder for the hazardous material abatement work. The bid price for hazardous material abatement work is \$68,000, and the City Manager has the authority to execute the contract for that work. The City received one bid each for Structural Steel and Concrete & Rebar. SKS Construction, being a General Contractor, has submitted bids for Structural Steel and Concrete & Rebar.

Following advertising, one bid was received on December 5, 2003 for Structural Steel and Concrete & Rebar, and is as follows:

<u>Structural Steel:</u>	
<u>Bidder</u>	<u>Amount</u>
1. SKS Construction, Encino	\$583,855.00
Engineer's Estimate	\$573,977.00
<u>Concrete & Rebar:</u>	
<u>Bidder</u>	<u>Amount</u>
1. SKS Construction, Encino	\$226,000.00
Engineer's Estimate	\$149,402.00

The actual bid is higher than the Engineer's estimate because labor cost is higher. The building has been classified as a "regulated area" due to the potential for exposure to asbestos dust, lead dust and pigeon guano. All personnel must wear respiratory protection and protective clothing during performance of the Work and must decontaminate at the end of each day, which will result in loss of time.

It is recommended that SKS Construction be awarded the contracts for Structural Steel and Concrete & Rebar, for amounts not to exceed \$642,240 and \$248,600, respectively, for the Glenarm Power Plant Seismic Repairs, Phase I, as they are the qualified and responsive bidder. SKS Construction has been in business for the last sixteen years and has extensive experience working with other local governments and nonprofit organizations.

The contract for this project will be as follows:

<u>Structural Steel:</u>	
Base Bid	\$583,855
Contingency (10%)	<u>\$ 58,385</u>
Contract "Not to Exceed" Amount	\$642,240

Concrete & Rebar:

Base Bid	\$226,000
Contingency (10%)	\$ 22,600
Contract "Not to Exceed" Amount	\$248,600

The Phase I construction will begin in March 2004 and is scheduled to be completed in July 2004. It is expected that the work for Phase II will be scheduled upon availability of funding.

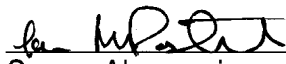
FISCAL IMPACT

The cost of this work will be reimbursed by FEMA and will not require any local funds.

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager


Prepared by:


Segun Abegunrin
City Architect (Acting)
Capital Projects

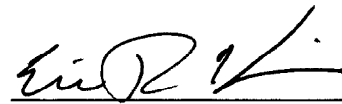
Approved by:


Martin Pastucha, Director
Department of Public Works

Concurrence:


Richard Bruckner
Director of Planning and Development

Concurrence:


Phyllis E. Currie, General Manager
Pasadena Water & Power