

City Hall Construction Bids

DECEMBER 18, 2017

CITY COUNCIL MEETING

City Hall Rendering



Needs Assessment

Current City Hall is 50 Years Old!

- Build 1966-1967
- Very Little Modernization
- Existing Floor Plan is Inefficient
- Needs Reconfiguration to Accommodate Budgeted Staff



2015 Needs Assessment

- hsr/Waterleaf
- Reviewed:
 - Current Needs
 - 20 Year Needs
 - Efficiencies, Safety, Accessibility, Work Flow, and Customer Service
 - Remodel versus New Construction
- Recommendation:
 - Remodel Current Structure (9,100 sq. ft.)
 - City Council Chamber & Conference Room Addition to the West (2,400 sq. ft.)
- City Work Plan:
 - Remodel and Expansion was included in the 2017 Work Plan and Budget

Key Issues to Address

- Improved customer service with a single area for customer interactions.
- Improved safety and security for staff and visitors.
- Reduction of building access points.
- Building accessibility and ADA requirements.
- Improved workspace flow for staff with internal connectivity.
- Improved internal and external meeting spaces.
- Centralized records retention system.
- Updated City Council Chambers with modern technologies.
- Coordination in updates and replacements of items that are currently on the list as maintenance items.
 - Carpeting, siding repair, windows, doorways, etc.

Construction Bidding

Bids Advertised: November 6th

Bids Opened: December 5th

Received 3 Bids:

- Par-Tech Construction – Oregon City
- 2G Construction – Eugene
- Wildish Building – Lebanon

Base Bid Included:

- 8,100 sq. ft. Remodel
- 2,400 sq. ft. Addition

Alternate Bid Items:

1. Basement Offices (South Side)
2. Re-Roof Existing Area
3. Site Work on East Side
4. East Exterior Siding

Bid Results

BIDDER:	BASE BID:	Alternate Bid #1	Alternate Bid #2	Alternate Bid #3	Alternate Bid #4	TOTAL BID
Par-Tech Construction Oregon City, OR	\$2,134,000	\$79,000	\$202,800	\$18,600	\$26,500	\$2,460,900
2G Construction Eugene, OR	\$2,475,000	\$70,000	\$206,000	\$20,000	\$20,000	\$2,791,000
Wildish Building Co. Lebanon, OR	\$2,721,000	\$66,900	\$168,800	\$35,300	\$28,200	\$3,020,200

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Total Project Costs

Estimate provided to City Council during November 1st Work Session.

Low bid from Par-Tech Construction.

Cost Per Square Foot:

- Total Project Cost: \$260
- Construction Only Costs:
 - ❖ Base Bid - \$205
 - ❖ Base & Alternates - \$216

City Hall Remodel & Addition: Estimate Compared to Low Bid		
Item	Estimate	Low Bid
Base Bid	\$ 1,774,000	\$ 2,134,000
Alternates		
1. Basement Offices	92,000	79,000
2. Re-roof Existing	110,800	202,800
3. East Side Site Work	40,700	18,600
4. East Walls Siding & Windows	58,000	26,500
Total Alternate Bids	301,500	326,900
Non-Construction Costs		
Architectural Services	162,000	162,000
Permits, Fees, Inspections	30,000	30,000
Asbestos Abatement (Need quotes)	60,000	60,000
Furniture, Fixtures, Equipment	105,000	105,000
AV System	75,000	75,000
Total Non-Construction Costs	432,000	432,000
Construction Contingency*	266,100	100,000
Total All Project Costs	\$ 2,773,600	\$ 2,992,900

* Contingencies for the estimate were calculated at 10% of the Base Bid and each of the Alternates. The estimate also included \$50,000 for Central Lincoln PUD to remove the guy wire pole.

Decision Points

Do we proceed with the remodel and expansion at this time?

Options:

- Yes, proceed with the construction bids that were received.
- No, revisit the option to build a new facility.
- No, postpone a decision or choose to stay in the current facility.

If yes, then...

- Which, if any, alternative items should be included in the construction contract?
- Which, if any, of the value engineering items (to be discussed later) should be included?
- Do you want to authorize a specified up to amount for construction contingency, outside of the contract.

Postponing

Service Considerations

Space Needs

- Modifications needed to accommodate approved positions.
- Some administration staff located at Justice Center – IT.

Inefficiencies

- May require additional staff to maintain the current levels of service.
- Back office administrative functions currently performed in open office area with many interruptions.

Maintenance Items

City Hall currently has several deferred maintenance items that will occur if a decision is postponed.

- Siding, Windows, Doors
- Technology
- Council Chambers

These have been deferred due to current plans for remodel.

Project more than \$500,000 in repairs.

New Construction

Previously considered as part of the 2015 Needs Assessment.

Location:

- Current Site (Demolish current facility.)
- New Site (Either currently owned or purchase new site.)
 - If new site, what about current site?
 - Several Hwy 101 commercial sites available for redevelopment currently.

Cost:

- Estimate of \$6-7 million
- Approximately \$520-610 per sq. ft.
 - Public Works Office ~ \$400 per sq. ft.

What can be reused:

- Space Needs Assessment
- Customer Work Flow Analysis

Financial Considerations:

- Not able to accommodate the cost of new construction with current resources.
 - Without significant impact to existing general fund operations.
- Future bond measure analysis needed.
- Current water bond expiring in FY2021. Could time a new bond measure.

Remodel & Addition

Options:

- Award the construction contract to the current low bidder.
 - Bids expire end of day January 3, 2018.
- Reject bids, alter the scope of the project, and request new bids.

Bid Breakdown:

City Hall Remodel & Addition	
Item	Cost
Base Bid	\$ 2,134,000
Non-Construction Costs	432,000
Subtotal	\$ 2,566,000
Alternate Bids	326,900
Construction Contingency	100,000
Total All Project Costs	\$ 2,992,900

Financial Analysis:

- Total Project Cost (if all options were selected at bid amount) of \$2,992,900.
- Can be supported by current resources in the General Fund.
- 20-year Debt Service
- Annual Debt Service of \$216,000
- Financially feasible per Long-Range Financial Plan.

Remodel vs. New Construction

Discussion Points	Remodel & Addition	New Construction
Total Project Cost	\$2,992,900	\$6,000,000 +
Annual Debt Service	\$216,000	\$432,000 +
Accomplished with Current Resources?	Yes	No, Bond Measure Needed
Meets the 20-Year Service and Space Needs?	Yes	Yes
Duration of Interruption	Less than 1 Year	Varies, 12 to 18 Months

Construction Contingency

Remodel may have some unexpected items once construction begins.

Architect recommends 5% construction contingency to address potential Change Orders.

Construction contingency authorization would be outside of the construction contract.

Recommendation is for the City Council to authorize this contingency for the City Manager to process and approve change orders, if needed, during construction of up to \$100,000.

If this option is not authorized, change orders would be processed under the City's financial policy for items greater than \$30,000, which require approval by the City Council. This could cause some timing delays.

Value Engineering

We have requested additional quotes from the low bidder on some changes that would produce cost savings.

Value Engineering Items	Potential Savings
Composite shingles in lieu of metal roofing for Alternate 2	\$52,320
Standard suspended tile ceiling in lieu of wood grill ceiling in City Council Chambers	\$36,800
Remove stone façade and use all brick	\$6,800
Total Potential Savings	\$95,920

If yes, then...

Alternates:

1. Basement Offices (South Side)
2. Re-Roof Existing Area
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Value Engineering Items:

1. Basement Offices (South Side)
2. Re-Roof Existing Area
3. Site Work on East Side

Construction Contingency:

- City Mgr. Authorization - \$100,000

City Hall Remodel & Addition	
Item	Cost
Base Bid	\$ 2,134,000
VE - Standard Suspended Ceiling	(36,800)
VE - Remove Stone, Use Brick	(6,800)
Non-Construction Costs	432,000
Base Subtotal	\$ 2,522,400
Alternate Bids	
1. Basement Offices	79,000
2. Re-roof Existing	202,800
VE - Composit Shingles	(52,320)
3. East Side Site Work	18,600
4. East Walls Siding & Windows	26,500
Alternate Subtotal	274,580
Construction Contingency	100,000
Total All Project Costs	\$ 2,896,980

Alternatives

1. Award a contract for the base bid only to Par-Tech Construction.
2. Award a contract for the base bid and any combination of alternate items to Par-Tech Construction.
3. Postpone the decision on awarding a contract for the current design to a date certain, but prior to January 3, 2018.
4. Reject the bids and re-scope the remodel and addition project.
5. Reject the bids and direct staff to provide further information on new construction.

Staff Recommendation

Accept the proposal from Par-Tech Construction for the base bid of \$2,134,000 and the alternate bids totaling \$326,900.

This would result in a total contract amount of \$2,460,900 with Par-Tech Construction.

Staff also recommends authorizing a contingency budget of a not to exceed amount of \$100,000 to address change orders that may occur due to the unknowns of the remodel construction.

Lile Moving & Storage

Tucker Davies



Projected Move Dates:

January 8th – 12th

Locations:

Justice Center

New Public Works

Old Public Works



Justice Center

(11 employees)

City Manager's Office

Human Resources

Information Technology

Finance

Old Public Works

Short-Term File Storage

Furniture Storage

Surplus Furniture

New Public Works

(7-8 employees, 2 contractors)

Planning

Building

Code Enforcement

Customer Service

Access

Long-Term Records