



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: February 8, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Jovan Grogan, City Manager

PREPARED BY: Matthew Lee, Public Works Director

SUBJECT: Adopt Resolution to:

1. Authorize the City Manager to Execute a General Service Agreement with State Roofing Systems, Inc. for the Library Roof Replacement in the Amount of \$193,380, Approving a Contingency of \$19,338, and Approving a Total Budget in the Amount of \$212,718;
2. Authorize The City Manager to Execute a General Services Agreement with Matrix HG, Inc. for the Library HVAC Installation Project in the Amount of \$199,917, Approving a Contingency of \$19,991, and Approving a Total Budget in the Amount of \$219,908; and
3. Appropriating \$83,626 from the General Fund Capital Reserve Fund Balance to the Library Facility Improvement CIP Project, And Approving a Total Project Budget in the Amount of \$432,626

BACKGROUND: The City's FY 2021-22 Capital Improvement Program (CIP) includes facility improvements to the Library. This year's schedule includes repairs and replacement of the Library Roof's Heating, Ventilation, and Air Conditioning (HVAC) unit. In preparation for the project, City staff completed an assessment of the roof's condition and found the roof has reached the end of its service life and should be replaced before a new HVAC unit is installed on top of it.

DISCUSSION: As part of the City's efforts to replace the HVAC unit at the Library it was determined that the roof is nearing the end of its service life. Given the roof condition leaks can potentially occur after installing a new HVAC unit. There roof was replaced over 30 years ago with an average life span for 20 years. Records indicate that approximately \$7,000 in patch work has been performed since the last replacement. After the City worked with the firm Tremco, of Foster City, California to assess the roof, it was determined that the best course of action was to replace the Roofing system given the City's anticipated service life for the building.

The scope of the roof replacement project phase includes a complete stripping of the Library roof down to the lower sub-roof, followed by a full replacement from the sub-roof with ultraviolet (UV) reflective roofing material. The installation of the new roof will help address the slope of the roof. Over time, the slope of the current roof has shifted and water pools and does not drain off properly. The reflective surface also offers resistance to harmful UV rays and combines with maximum seam strength for durability and long-term performance. Once the roof is replaced and repaired, the HVAC unit will be installed.

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The scope of the HVAC replacement includes disconnecting and removing the current rooftop unit, lifting and installing the new unit up onto the roof, connecting the unit to the electrical, drain, and duct systems, unit testing, and cleanup.

Below is a summary for the vendor selection process and replacement schedule.

In adherence to the City of San Bruno Municipal Code Section 2.44.070, the Library Roof and HVAC Replacement Project is subject to the Uniform Public Construction Cost Accounting Procedures Act (“the Act”), a state law that allows increased efficiency, decreased delays, and lower costs associated with procurement of relatively small public works contracts that are less than \$200,000. The City Council adopted the Act in 2019 as part of its Municipal Code revision process. In brief, the Act allows general law cities such as San Bruno to conduct a less formal bidding process for projects that are anticipated to cost less than \$200,000, even if a project contingency brings the potential contract amount to over \$200,000.

Roof Replacement

In December 2021, the City reached out to prequalified roof vendors and requested cost proposals for the Library Roof Replacement Project. Staff received three (3) cost proposals which are as follows:

<u>No.</u>	<u>Vendors</u>	<u>Bid Total</u>
1.	State Roofing Systems, Inc.	\$193,380
2.	I&A Contractors, Inc.	\$195,800
3.	DuBois Roofing	\$232,510

The lowest proposal received was from State Roofing Systems, Inc. in the amount of \$193,380. After careful and thorough review of the proposals received, staff has determined that State Roofing Systems, Inc. of San Leandro, California meets the qualifications and possesses the experience to complete the work. State Roofing Systems, Inc. has satisfactorily completed numerous commercial roof replacement work at various agencies and businesses in the Bay Area including the cities of Livermore, Milpitas, Palo Alto, and Pleasanton.

HVAC Replacement

In December 2021, the City reached out to prequalified HVAC installation vendors and requested cost proposals for the Library HVAC Replacement Project. Staff received two (2) cost proposals which are as follows:

<u>No.</u>	<u>Vendor</u>	<u>Bid Total</u>
1.	Matrix HG, Inc.	\$199,917
2.	Northern Services, Inc.	\$228,600

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The lowest proposal received was from Matrix HG, Inc. in the amount of \$199,917. After careful and thorough review of the proposals received, staff has determined that Matrix HG, Inc. of Concord, California meets the qualifications and possesses the experience to complete the work. Matrix HG, Inc. has satisfactorily completed numerous commercial HVAC replacement and installation work at various agencies and businesses in the Bay Area, including previous work for San Bruno.

Replacement Schedule

It will take approximately three to four weeks to complete both the roof and HVAC project phases after the vendors begin their work. The roof and HVAC vendors will be on site at the same time to coordinate efforts. Replacing the roof is expected to be completed within one to two weeks, and then two to three weeks to fully install the HVAC unit. Public Works facilities staff will coordinate with the Community Services Department and Library staff to evaluate the need for temporary cooling fans or heaters. There is no expected impact to Library operations during the replacement of the HVAC or Roof.

FISCAL IMPACT: The FY 2021-22 Library Facilities Improvements Capital Improvement Program (CIP) budget includes an allocation of \$359,000 to complete replacement of the HVAC system. The Roof and HVAC vendors' combined base contract cost is \$393,297. Staff recommends a 10% contingency of \$39,329 to address potential unforeseen conditions during installation, for a total estimated project budget of \$432,626. The available CIP budget balance of \$349,000 is insufficient to fund the entire project.

An appropriation of \$83,626 is requested from the available General Fund Capital Reserve balance to the Library Facility Improvement CIP project budget to supplement the overall replacement budget.

Staff will reassess the City's funding situation during the next budget development session and try to restore the General Fund Capital Reserve to its target of \$5 million as established in the City's reserve policies.

Below is a breakdown of the full estimated project cost.

Total estimated cost for the Roof Replacement:

Vendor Agreement	\$ 193,380
Contingency (10%)	<u>19,338</u>
Total Estimated Replacement	<u>\$ 212,718</u>

Total estimated cost for the HVAC Replacement:

Vendor Agreement	\$ 199,917
Contingency (10%)	<u>19,991</u>

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Total Estimated Replacement	<u>\$ 219,908</u>
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Total Combined estimated cost for the Library Roof and HVAC Replacement:

Roof – Total Replacement Cost	\$ 212,718
HVAC – Total Replacement Cost	<u>219,908</u>
Total Combined Estimated Replacement Phase	<u>\$ 432,626</u>

ENVIRONMENTAL IMPACT: There is no environmental impact.

RECOMMENDATION:

Adopt Resolution to:

1. Authorize the City Manager to Execute a General Service Agreement with State Roofing Systems, Inc. for the Library Roof Replacement in the Amount of \$193,380, Approving a Contingency of \$19,338, and Approving a Total Budget in the Amount of \$212,718;
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3. Appropriating \$83,626 from the General Fund Capital Reserve Fund Balance to the Library Facility Improvement CIP Project, And Approving a Total Project Budget in the Amount of \$432,626

ALTERNATIVES:

1. Delay replacement of the Library Roof and HVAC replacement. As the roof is in poor condition, the project to replace the HVAC unit will have to be delayed until the roof is replaced to prevent future leaks due to the roof being at the end of its useful life.
2. Replace the HVAC unit and patch the existing roof system and assume the risk of potential roof leak after installation. If a roof leak occurs after patching, the next viable solution would be to replace the roof.

ATTACHMENTS:

1. Resolution
2. CIP Budget
3. Roof Analysis Report