File #: 25-435, **Version:** 1

TITLE:

AWARD OF THE NORMA HERTZOG COMMUNITY CENTER ROOF REPLACEMENT PROJECT, CITY PROJECT NO. 25-05

DEPARTMENT: **PUBLIC WORKS DEPARTMENT/GENERAL SERVICES DIVISION**

PRESENTED BY: **RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR**

CONTACT INFORMATION: **PATRICK BAUER, DEPUTY PUBLIC WORKS DIRECTOR (714) 754-5029**

RECOMMENDATION:

Staff recommends the City Council:

1. Award a Public Works Agreement (PWA) in the amount of $745,276 to C.I. Services, Inc. 1145 E. Stanford Court, Anaheim, CA, 92805 to remove and replace metal roofing panels.

2. Authorize a ten percent (10%) contingency in the amount of $74,528 for unforeseen costs related to the project.

3. Authorize the Interim City Manager and City Clerk to execute the PWA and any future amendments to the agreement.

4. Authorize a budget transfer of $191,206 in City Capital Improvement Program funds from the Lions Park Café Project (#800032) to the Norma Hertzog Community Center Roof Replacement Project (#210025).

BACKGROUND:

The Norma Hertzog Community Center (NHCC), located at 1845 Park Avenue, Costa Mesa, CA, 92627 is the City's newest rental facility. It features a large meeting room complete with a stage and integrated AV system suitable for events, receptions, large meetings, and classes. It also includes a smaller meeting room along with an outdoor patio area. During the prior renovation of NHCC, the old metal roof was not replaced. The roof has since experienced leaks during periods of heavy rainfall.

The proposed work for this project will assist in keeping the facility safe from rainwater leaks, causing damage to the walls, AV system, the roof itself, and other components of the building. The proposed work consists of removing the existing roofing, prepping the area for replacement, and installing new modified bituminous roofing and manufactured metal roofing panels per the Garland Company's shop drawings and the project specification.

ANALYSIS:

On February 27, 2025, the City received and opened two (2) bids for this project. C.I. Services, Inc., was the apparent lowest bidder with a bid proposal of $745,276. The Engineer's estimate was $420,000, while the average of the two total bids was $752,801. The bid abstract is included as Attachment 1.

An analysis of the bids indicated that the apparent lowest bidder submitted a bid proposal that was 177% higher than the original Engineer's estimate. Following discussions with the roofing manufacturer, the Garland Company, it was determined that the variance between the low bidder and the Engineer's estimate was mainly attributed to the level of precision required to manufacture the roofing panels on the circular roof. Since the panels need to be manufactured beforehand and not field-fitted to avoid odd overlaps or visually unappealing roofing panels, this results in a significantly higher cost than estimated. In addition to the base bid amount of $745,276, a ten percent (10%) contingency in the amount of $74,528 is also requested for unforeseen costs.

The license and references of C.I. Services, Inc. were verified, and staff found them to be in good standing.

Upon award of the PWA (Attachment 2), C.I. Services, Inc. will furnish the necessary bonds for the project. After the award and subsequent execution of the PWA, a "Notice to Proceed" will be issued.

ALTERNATIVES:

Alternatives to this recommendation include rejecting the bids and re-advertising the project. Staff considers that re-advertising the project will not result in a better outcome and will delay the project.

FISCAL REVIEW:

Funding for this project, inclusive of a ten percent (10%) contingency, is available in the Capital Improvement Fund (Fund 401). The NHCC Roof Replacement Project #210025 has an available balance of $628,598. To award the PWA, a budget transfer in the amount of $191,206 is requested from the Lions Park Café Project #800032 to the NHCC Roof Replacement project #210025. The Lions Park Café project, which was budgeted in Federal Grants (Fund 230), Capital Improvement Fund (401), and Lions Park Project Bond Fund (Fund 418), is near completion. The funds requested for reallocation are available in Fund 401 and will not impact any prior grant funding.

LEGAL REVIEW:

The City Attorney's Office has reviewed this staff report, prepared the PWA, and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This project works toward achieving the following City Council goals:

- Maintain and enhance the City's facilities, equipment, and technology.

CONCLUSION:

Staff recommends the City Council:

1. Award a PWA in the amount of $745,276 to C.I. Services, Inc. 1145 E. Stanford Court, Anaheim, CA, 92805 to remove and replace metal roofing panels.

2. Authorize a ten percent (10%) contingency in the amount of $74,528 for unforeseen costs related to the project.

3. Authorize the Interim City Manager and City Clerk to execute the PWA and any future amendments to the agreement.

4. Authorize a budget transfer of $191,206 in City Capital Improvement Program funds from the Lions Park Café Project (#800032) to the Norma Hertzog Community Center Roof Replacement Project (#210025).