

**CITY COUNCIL AGENDA ITEM**

CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Motion to Authorize the City Manager to Execute a Contract with MJ Takisaki, Inc. in the Amount of \$561,628.79 for the Shoreline Pool Long Term Maintenance Project
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<b>DEPARTMENT:</b>	Public Works
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<b>PRESENTED BY:</b>	Noel Hupprich, Capital Projects Manager
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<b>ACTION:</b>	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing
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**PROBLEM/ISSUE STATEMENT:**

Staff is requesting Council to authorize the City Manager to execute an agreement with MJ Takisaki, Inc. in the amount of \$561,628.79 for construction services for the Shoreline Pool Long Term Maintenance project. The agreement includes the base bid and three of the four additive alternates.

Between December 21, 2015 and January 21, 2016, the City solicited for contractors to construct the Shoreline Pool Long Term Maintenance project. The engineer's estimate for construction was \$513,000 with an additional \$100,000 held for contingency. Bids were opened on January 21, 2016 and two (2) bids were received. MJ Takisaki, Inc. was the low bidder with a bid amount of \$602,236.86 (this amount included the base bid and all four additive alternates). Construction on the pool is anticipated to start in February 2016 with completion anticipated in the beginning of June.

**RESOURCE/FINANCIAL IMPACT:**

The cost of this contract will be paid based on the following funding:

**EXPENDITURES**

## Design:

Staff	\$18,800
Professional Services	\$71,500
Permitting	\$10,650

Total Design	\$100,950
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## Construction:

Staff and other Direct Expenses	\$27,200
Special Inspection	\$6,000
<b>Construction Contract</b>	<b>\$561,629</b>
Contingency	\$54,221

Total Construction	\$649,050
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Total Project Cost	\$750,000
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## **REVENUE**

Facilities Capital Fund	\$150,000
General Capital Fund	\$600,000
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Total Funding	\$750,000

## **RECOMMENDATION**

Staff recommends that Council authorize the City Manager to execute an agreement with MJ Takisaki, Inc. in the amount of \$561,628.79 for construction services for the Shoreline Pool Long Term Maintenance project.

Approved By:        City Manager ***DT***    City Attorney ***MK***

## **BACKGROUND**

The current Shoreline Pool was constructed in 1971 and funded by the King County Forward Thrust Bond Issue. In June 2013, the City replaced the pool boiler when it failed to operate after 47 years of service. Understanding that the aging pool has major maintenance needs, a full assessment of the building, its systems and pool operation was necessary to understand the building's physical and operational condition. The assessment helped guide development of a capital repair and replacement budget and schedule to avoid emergency repair and replacements, such as the boiler.

In September 2013, the City entered into an agreement with ORB Architects (now Innova Architects) to complete the Shoreline Pool Repair and Replacement Needs Assessment report. The report provided a complete assessment of the pool's condition and identified recommended repairs and their estimated cost.

In April 2015, the City entered into a second contract with Innova Architects to provide an addendum to the Shoreline Pool Repair and Replacement Needs Assessment. The addendum provided recommendations that identified repair and replacement work for the following two scenarios:

1. Work that would be required to keep the pool operational until the year 2022.
2. Work that would be required to keep the pool operational until the year 2035.

On June 22, 2015, staff presented the findings from the Shoreline Pool Repair and Replacement Needs Assessment and at that time, recommended to use funding in 2016 and 2017 to make the repairs needed to keep the pool operational until the year 2022. The staff report for this Council discussion can be found at the following link: <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2015/staffreport062215-8a.pdf>.

After this discussion was held, staff evaluated the efficiencies of completing the work during one construction period in 2016. By completing the defined scope of repairs at one time in 2016; construction expense will be less, the pool will be closed for only one extended period rather than two, and all repairs will be completed earlier, reducing the risk for potential system failures and emergency repairs. Based on this evaluation and subsequent Council discussion, all funding for this project was placed in 2016 as part of the adopted 2016-2012 CIP.

## **DISCUSSION**

Preparation of construction plans and specifications for the Shoreline Pool Long Term Maintenance project began in September 2015 and as the work progressed, a more detailed cost estimate was developed. The cost estimate was approximately \$215,000 over the construction budget of \$523,000. As a result, staff worked with the architect to create a strategy to reduce the scope of the project and maintain the most critical elements required to keep the pool operational until the year 2022.

The following steps were taken to bring the scope of work within budget:

Removal of Pool Piping System Replacement from the Scope of Work:

One significant element of work, the replacement of the pool supply and return piping system, was identified for further investigation to determine if the work was necessary. Replacement of the piping system for a pool of this age is common; however, in some cases it is not needed. Staff had the piping inspected and did in fact find it to be in good condition. Removal of this component of the scope of work reduced the estimated construction cost by \$150,000.

Creation of Optional Additive Bid Items:

Staff identified \$75,000.00 in work that is not critical to pool operations and that can be completed without closing the pool as optional additive bid items.

The following table summarizes the modifications to the scope of work necessary to bring the project within budget:

Shoreline Pool Long Term Maintenance Project – 90% Design Cost Estimate	\$738,000
Removal of the Pool Piping System Replacement	(\$150,000)
Creation of Optional Additive Bid Items: <ul style="list-style-type: none"><li>• Replace metal siding at clerestory (\$26,560)</li><li>• Select work at doors and frames (\$20,000)</li><li>• Variable frequency drive and controls at fan #21 (\$9,150)</li><li>• Replace HVAC serving meeting room 201 (\$19,400)</li></ul>	(\$75,110)
<b>Total Base Bid Estimate After Scope Modification</b>	<b>\$512,890</b>

By removing the pool pipe replacement work and identifying optional additive bid items, the revised base bid estimate was lowered to \$512,890, which left \$100,000 in the budget for contingency. The scope of work for the base bid and optional additive bids is as follows:

**Base Bid:**

- Pool deck replacement
- Re-plastering of the pool
- Mechanical upgrades
- ADA accessibility upgrades
- Replacement of select damaged and deteriorated doors and door frames
- Upgrades to the HVAC system and building commissioning.
- Replace natatorium lighting

**Optional Additive Bids:**

- Replace metal siding at clerestory
- Select work at doors and frames
- Variable frequency drive and controls at fan #H21
- Replace HVAC serving meeting room 201

Bids were opened on January 21, 2016 and two (2) bids were received. MJ Takisaki, Inc. was the low bidder. The bids were as follows:

<b>Contractor Name</b>	<b>Bid Received</b>
MJ Takisaki, Inc.	\$602,236.86
Western Ventures Construction, Inc.	\$603,345.00
<i>Engineers Estimate</i>	<i>\$588,000.00</i>

The bid documents stated that the low bid would be determined by the total of the base bid plus all optional additive bids. If the base bid amount is less than the construction estimate, staff would add all or a combination of the additives bids that fit within the construction budget and maintain a construction contingency of at least \$50,000. This allowed for MJ Takisaki, Inc.'s base bid and three of the four optional additive bids. The breakdown of the recommended award is as follows:

MJ Takisaki, Inc. Base Bid	\$519,091.32
Optional Additive Bid #2 Select work at doors and frames	\$15,866.55
Optional Additive Bid #3 Variable frequency drive and controls at fan #21	\$6,141.86
Optional Additive Bid #4 Replace HVAC serving meeting room 201	\$20,529.06
<b>Total Recommended Award</b>	<b>\$561,628.79</b>

Optional Additive Bid #1 was not included:

Optional Additive Bid #1 Replace metal siding at clerestory	\$40,608.08
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City staff has determined that MJ Takisaki, Inc.'s bid is responsive and that they have met contractor responsibility requirements. This was verified by:

- Evaluation of all bids through the creation of bid tabs, and
- Verification that the contractor has not been barred from contracting on federal- and state-funded projects.

### **RESOURCE/FINANCIAL IMPACT**

The cost of this contract will be paid based on the following funding:

#### **EXPENDITURES**

Design:

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Professional Services	\$71,500
Permitting	\$10,650
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Construction:

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**RECOMMENDATION**

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