

STAFF REPORT

To: SBWMA Board Members
From: Hilary Gans, Facility Operations Contract Manager
Date: July 23, 2009 Board Meeting
Subject: Approval to Execute a Contract with S.J. Amoroso Construction Inc. for Shoreway Master Plan Phase II – Construction

Recommendation

It is recommended that the SBWMA Board of Directors

1. Approve the attached Resolution authorizing the Executive Director to execute a contract with S.J. Amoroso Construction Inc of Redwood City, California for Shoreway Master Plan Phase II construction in a contract amount not to exceed \$16,209,000. This amount reflects exercising the transfer station education center bid deduction in the amount of \$1,428,000.
2. Approve establishing a 10% contingency in the amount of \$1,620,900.00 for the construction of Shoreway Master Plan Phase II Construction.
3. Authorize the Executive Director to execute contract change orders up to the established contingency;

Analysis

The award of a construction contract to S.J. Amoroso is based on their low-bid provided on April 23, 2009 at a total cost of \$17,637,000 (see **Table 1**). The Phase II construction contractor selection of Amoroso is based on the “base-bid” which is the total of all Master Plan improvements.

Staff is recommending that the transfer station education center building “bid deduction” of \$1,428,000 be exercised and that this building be removed from the Phase II project scope so as to utilize the cash savings to help pay for additional capital improvement items required by the new Collection and Operations Contractors and some improvements required for interim operations. The new capital items were identified after Shoreway site meetings with Recology and South Bay Recycling (SBR) and follow-up meetings between SBR and JRMA, our design contractor.

Attachment B summarizes these capital items.

A contingency of \$1,620,900 (approximately 10 percent of the bid amount) is requested to address unforeseen conditions during construction. It is typical to request a 10-15% contingency for construction projects to mitigate unknown conditions and to give authority to the head of an agency to execute change orders up to the contingency amount to avoid potential impacts to the construction schedule.

Background

The Master Plan Phase II construction improvements proposed for the Shoreway facility will improve the functionality, capacity and efficiency of the Shoreway facility and operations and will provide the space for the materials processing activities that are required under the future collection programs and services (i.e., weekly residential single stream collection, weekly residential organics collection, and commercial single stream collection). The facility design has been completed over a two-year process and the SBWMA Board has been briefed on the project design, permitting, and budget throughout the process.

Pending Board approval, the Master Plan - Phase II construction work is to begin in September 2009 and will include the following major Master Plan features:

- o demolition of the existing MRF building,
- o construction of a new 70,140 sq ft MRF building,
- o relocation of the public recycling center to the front (west end) of the MRF building,
- o construction of office and employee areas in the MRF building,
- o expansion of the self haul side of the transfer station,
- o construction of office and employee areas in the transfer station building,
- o addition of site and directional signage,
- o education center/public viewing areas at MRF building, and
- o site work (included utility upgrades and landscaping).

Phase II construction bid documents were structured in a “deductive-alternate” format (e.g., bidders were required to provide a bid for the total project cost and also provide the cost for the option of selected items being removed from the total Master Plan project cost). As directed by the Board, the transfer station construction cost and the transfer station education center construction cost were broken-out as separate cost items that can be deducted from the scope of the total Master Plan project.

On April 22, 2009, the SBWMA received four bids from general contractors for the Phase II Master Plan construction. The low-bid was provided by S.J. Amoroso Construction Inc. of Redwood City California at a total cost of \$17,637,000 (see **Table 1**). The Phase II construction contractor selection of Amoroso is based on the “base-bid” which is the total of all Master Plan improvements.

Table 1. Construction Bid Results

Item	Amoroso Construction Low bidder	West Bay Construction	Overaa & Company	Swinerton
MRF Building Only	\$ 12,660,000			
Transfer Station Building	\$ 4,977,000	\$ 4,303,000	\$ 4,450,000	\$ 6,035,743
Transfer Station & MRF Project Total	\$ 17,637,000	\$ 17,871,650	\$ 17,670,000	\$ 19,488,044
<i>Bid Deduction – Optional Transfer Station Education Center</i>	\$ 1,428,000			

Fiscal Impact

The cost of the Phase II construction is \$16,209,000 after exercising the transfer education center building bid deduction of \$1,428,000. A 10% contingency request is added to the contract in the amount of \$1,620,900 to mitigate unforeseen conditions. Construction costs and a project contingency of 12.5% will be covered through issuance of new debt by the SBWMA in August 2009. The construction contract will not be executed until after the bonds are sold.

The bond proforma assumes only a net project capital savings of \$728,000 from the bid deduct as it is assumed that a visitor tour feature (e.g., a viewing mezzanine) will be built in the transfer station at a later date. The savings of \$728,000 does not cover all of the newly identified capital items (see

Attachment B) associated with the masterplan totaling \$1,039,000 (excludes Recology improvements) so the balance of the capital costs estimated at \$311,000 will be covered through project contingency.

Attachments

- A. Summary of New Capital Items
- B. Resolution 2009-22

Attachment B

Recology Requested Site Improvements*

1. Conduit requirements for the San Carlos Facility for voice, data and security use.

The following specifications assume standard practice pull points and bend radius requirements as defined in NEC and BICSI regulations. These specifications are an estimate of present and future needs and no more than 50% fill capacity.

Administration Main Distribution Frame (MDF) to Transfer IDF	3 x 4"
Administration MDF to MRF Intermediate Distribution Frame (IDF)	2 x 4"
MRF IDF to Scale House IDF	1 x 3"
Transfer IDF to Scale House	2 x 2"
Transfer IDF to Maintenance South IDF	2 x 4"
Maintenance South IDF to North IDF	2 x 3"
Maintenance North IDF to Shop IDF	1 x 3"
Remote Scale IDF to MRF IDF	2 x 2"

Subtotal: \$200,000

For the rest of the voice and data work detailed in items 2, 3, 4, and 5, the estimated cost is \$150,000.

2. The existing phone closet/server room is non-functional. There is no wall space for Recology to build out our infrastructure and safely co-exist with Republic until the transition occurs. We recommend we cut out some adjacent office space, build a new Telco closet and start fresh. 200 sq ft (10x20) should be sufficient.
3. Telco voice and data services need to be inventoried for pair availability and service quality. It does not appear that there is much growth, if any, available, which will be required for both Recology and South Bay to safely co-exist with Republic until the transition occurs. We would prefer a secondary MPOE (minimum point of entry) for South Bay Telco services.
4. Power is suspect in the existing Telco closet, as is all the electrical equipment. We would recommend a complete electrical assessment to include all buildings on-site by a qualified electrical engineering firm. Replacement electrical equipment efficiencies will help offset the replacement cost over the life of our contract.
5. While we recommend a complete rewiring of the complex, it is imperative that the administration building be completely rewired. That's based on three assumptions: (1) we build a new Telco closet location as noted above, (2) we will reorganize offices and cubes, and (3) most importantly, the existing wiring is in disarray and will prove unreliable at a time when we can not afford infrastructure issues.

Subtotal: \$150,000

6. A traffic control signal device is required east of the Transfer Station to facilitate safe travel of (a) collection vehicles traveling at end of day from the Transfer Station to the parking area and (b) vehicles navigating into the MRF and Transfer Station, and departing the Shoreway site.

Subtotal: \$10,000

7. The maintenance building roof requires repair/re-roofing due to existing leaks.

Subtotal: \$150,000

8. The two maintenance shop air compressors should be replaced.

Subtotal: \$80,000

9. The entire yard area for Recology vehicles should be restriped, with thermo-plastic paint.

Subtotal: \$20,000

Total: \$610,000

* **These are all preliminary cost estimates. The above items will be treated as non- Shoreway Master Plan capital projects and is included in the proposed FY0910 capital budget.**

MRF and TS Building Modifications and Clarifications (Change Orders for Phase 2 and 3 Construction)				
SBR REQUEST ITEM	RESPONSE	CONSTRUCTION CONT.	EST. COST.	SBWMA RESPONSE
<ul style="list-style-type: none"> Buy back center -openings for reverse vending machines (2 openings for material conveyors) 	Plans include double doors along west wall to BBC that were used for place holders for these conveyors	<ul style="list-style-type: none"> Possible CO for partial fill in openings 	\$10,000 Est.	<ul style="list-style-type: none"> SBWMA will work with Covello and JRMA to provide
<ul style="list-style-type: none"> Requested paving of area behind transfer station for storage area. 	Area was modified at 60% SBR request it be paved	<ul style="list-style-type: none"> CO – pave area for possible box storage 	\$10,000	SBWMA to approve plan change
<ul style="list-style-type: none"> Phone System/Wiring PA <ul style="list-style-type: none"> System/Emergency Lighting and Fire Maintenance system 	Plans show conduits to run communications lines. Specific locations can be field routed after SBR identifies equipment and location.	<ul style="list-style-type: none"> Inclusive Items 11, 12 and 13 	See below	<ul style="list-style-type: none"> SBWMA needs to approve selected communication equipment and distribution. Covello will need to negotiate CO with Amoroso
<ul style="list-style-type: none"> Phone – connect buyback each office desk/MRS operation <ul style="list-style-type: none"> TS operation/MRE load dock – Scalehouse, MRF Composition/TESE 	Plans show conduits to run communications lines. Specific locations can be field routed after SBR identifies equipment and location.	Inclusive Items 11, 12 and 13	See below	<ul style="list-style-type: none"> SBWMA needs to approve selected communication equipment and distribution. Covello will need to negotiate CO with Amoroso
<ul style="list-style-type: none"> Scale House/Remote Scale <ul style="list-style-type: none"> BBO/ - Provide Computer Connections 	Plans show conduits to run communications lines. Specific locations can be field routed after SBR identifies equipment and location.	Inclusive Items 11,12 and 13	\$100,000	<ul style="list-style-type: none"> SBWMA needs to approve selected communication equipment and distribution. Covello will need to negotiate CO with Amoroso
Mechanical / maintenance room in MRF Provide 480V3Ph to this area to be built triangle area just east of electrical room for mech./ Maintenance area	There is no maintenance area in the MRF. JRMA will revise electrical room layout change for reduced misting system layout. Power to be added from electrical room if sufficient power is available	CO – Revise electrical power supply and modify electrical room layout to provide parts area.	\$60,000 for building modifications.	<ul style="list-style-type: none"> SBWMA agrees to work with SBR to provide modification to MRF
<ul style="list-style-type: none"> Need 110V outlets in BBO. 	Field Locate – need to coordinate w/ landscaping change	<ul style="list-style-type: none"> CO – Field Locate Covello to negotiate change with Amoroso. 	\$3,000	SBWMA to approve change in site plan
<ul style="list-style-type: none"> Emergency Lights to Computer Room 	Computer room area will need to be identified in MRF office area is necessary. Covello will need to work on field change with Amoroso		\$10,000	<ul style="list-style-type: none"> SBWMA will consider CO for new computer room.
<ul style="list-style-type: none"> Wash down water supply <ul style="list-style-type: none"> Several hose bibs requested for MRF floor (11/2’) 	Current plans do not include wash hoses in MRF.		\$20,000	<ul style="list-style-type: none"> SBWMA agrees to add hoses provided there is no new approvals or changes with City
<ul style="list-style-type: none"> Increase power needed to supply MRF sort equipment do to more motors than in original equipment layout. 	JRMA to proceed to increase power in MRF	<ul style="list-style-type: none"> CO – Covello to discuss with Amoroso 	\$200,000	<ul style="list-style-type: none"> SBWMA has approved moving forward with design and construction change.
<ul style="list-style-type: none"> Truck Maintenance building modifications - widen rollup door, add awnings, supply 480 power. Add maintenance equipment - gantry crane and compressor 	SBR has been supplied area for vehicle maintenance and needs the area to be outfitted to perform maintenance.		\$50,000 building \$75,000 equipment	SBWMA to add on behalf of contractor
<ul style="list-style-type: none"> Transfer Station Tunnel _ Replacement of axel scales 	Facilitates use of spread axle trailers with higher payloads.	Won't be a CO with Amoroso	\$150,000	<ul style="list-style-type: none"> SBWMA approves as yields \$40-50k/year in ops cost savings.
		Estimated COs for Amoroso	\$538,000	
		TOTAL	\$688,000	

Facility Modifications Not to be Included in Amoroso Construction Contract (Masterplan Related Capital Expenses)		
Item	Cost Estimate	Notes
Transfer station door widening	\$15,000	Originally in Phase 2 scope, but moved to Phase 1. Work to be completed by Rodan.
Transfer station tunnel widening	\$71,000	Required for improved truck access to load out porters. Rodan change order.
Hookup and piping for recycled water supply	\$75,000	Desired item for LEED certification, plumbing recycled water to truck wash, and landscape.
Purchase of additional K-rail for Transfer station interim ops	\$20,000	Push walls to be used during interim ops and to remain in use by future contractor.
Supplemental pavement striping for facility ops areas	\$15,000	In addition to Amoroso work for base striping.
Removal and re-installation of existing baler	\$55,000	This baler will be reused in the new MRF operation.
Fire suppression installation for MRF sorting equipment	\$50,000	Added suppression to address more equipment system components.
Modifications and rebuild to existing baler	\$50,000	Wiring, reprogramming, and refurbish of existing Harris baler.
	Total: \$351,000	



RethinkWaste

South Bayside Waste Management Authority

RESOLUTION NO. 2009-22

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAYSIDE WASTE MANAGEMENT AUTHORITY AUTHORIZING THE AWARD OF A CONTRACT FOR PHASE II SHOREWAY MASTER PLAN CONSTRUCTION TO S.J. AMOROSO CONSTRUCTION INC OF REDWOOD CITY, CALIFORNIA BASED ON THEIR LOW-BID PROVIDED ON APRIL 23, 2009

WHEREAS, on April 23, 2009 the Board of Directors accepted bids in connection with Phase II Construction of the Master Plan Improvements to facilities at the Shoreway Environmental Center (the Contract); and

WHEREAS, S.J. Amoroso was the low-bidder in the public bid process, and

WHEREAS, the South Bayside Waste Management Authority (SBWMA) Board of Directors has considered awarding the contract to S.J. Amoroso for Phase II Construction to the Master Plan improvements in the amount of \$16,209,000.00 and

WHEREAS, the Board of Directors is exercising the bid deduction of \$1,428,000 for the transfer station education center ,

WHEREAS, contingency needs will be established in the amount of \$1,629,000.00 for the construction of Phase II Master Plan Improvements, and

NOW, THEREFORE, BE IT RESOLVED the Board of Directors approves the Award to S.J. Amoroso for Phase II construction with the bid deduction and authorizes the Executive Director to enter into a contract for \$16,209,000 with a 10% contingency.

PASSED AND ADOPTED by the Board of the South Bayside Waste Management Authority, County of San Mateo, State of California on the 23rd day of July 2009, by the following vote:

Agency	Yes	No	Abstain	Absent	Agency	Yes	No	Abstain	Absent
Atherton	X				Menlo Park	X			
Belmont	X				Redwood City	X			
Burlingame	X				San Carlos	X			
East Palo Alto				X	San Mateo	X			
Foster City	X				County of San Mateo	X			
Hillsborough	X				West Bay Sanitary Dist	X			

I HEREBY CERTIFY that the foregoing Resolution No. 2009-22 was duly and regularly adopted at a regular meeting of the South Bayside Waste Management Authority on July 23rd, 2009.

Martha DeBry, Chairperson of SBWMA

ATTEST:

Cathy Hidalgo, Board Secretary