



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 17, 2009

ITEM NUMBER:

SUBJECT: ROOF REPLACEMENT AT THE OLD CORPORATION YARD AT 2300 PLACENTIA AVENUE, COSTA MESA, CITY PROJECT NO. 08-14

DATE: MARCH 5, 2009

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: ERNESTO MUÑOZ, CITY ENGINEER, (714) 754-5335

RECOMMENDED ACTION:

1. Reject all bids, and re-advertise the project at a future time.

BACKGROUND:

The roofing materials on the City's Old Corporation Yard building are exhibiting advanced deterioration. The roof was originally constructed in 1967, and a roof-over project was completed in 1989. The current roof no longer completely deters rainwater. The existing roof material has deteriorated to a point where complete removal of the roof to the existing roof deck is the most desirable course of action. In conjunction with the roof replacement, any asbestos containing materials would need to be remediated. In addition, a new roof would be required to maximize the reflectivity and insulation characteristics in compliance with Title 24 energy efficient standards.

On July 29, 2008 staff advertised the project for construction. The City Clerk's received and opened nine (9) bids for this project on August 28, 2008. The average of the nine bids was \$197,829.25, and the Engineer's Estimate was \$190,000.00. The Bid Abstract is included as "Attachment 1".

ANALYSIS:

The subject roof replacement project was to be funded entirely from the City's General Fund revenues. Given the current economic climate, staff has reconsidered the project and has determined to continue to aggressively maintain the existing roof system, and defer the impact to the General Fund until such time that an economic recovery is reached. Therefore, City staff recommends that this project be put on hold until such time cost cutting solutions are in place, and the City's revenues have stabilized. Once City revenues have stabilized, the project will be re-advertised for construction.

Until the project is re-advertised, City staff will continue to make repairs on an as-needed basis to the roof to keep the building in a safe and operable condition.

ALTERNATIVES CONSIDERED:

No options are being considered regarding this action since the duration period for the bidding process for this project has lapsed and requires that all bids be rejected at this time.

FISCAL REVIEW:

If Council rejects all bids, the City may be accountable for reimbursing the lowest responsible bidder for their bonding costs incurred to date. These costs would not be in excess of \$9,500 and would be covered from the appropriate funds for this project. Rejection of all bids and deferral of this project will unencumber approximately \$190,000 of General Fund revenues.

LEGAL REVIEW:

California Public Contract Code Section 20166 allows the legislative body, at its discretion, to reject any bids presented for a project and to re-advertise the project.

CONCLUSION:

Staff has reconsidered this project and has determined to continue to aggressively maintain the existing roof system, and defer the impact to the General Fund until such time the impact to the City's overall operation may be minimized. The advertisement and bid opening for the Roof Replacement at the Old Corporation Yard at 2300 Placentia Avenue, Costa Mesa, City Project No. 08-14 has been completed. It is recommended that the City Council reject all bids, and re-advertise the Roof Replacement at the Old Corporation Yard at 2300 Placentia Avenue, Costa Mesa, City Project No. 08-14 at a future date.

ERNESTO MUÑOZ
City Engineer

PETER NAGHAVI, DIRECTOR
Department of Public Services

ATTACHMENT: "1" [Bid Abstract](#)

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