DATE: September 15, 2008
FROM: John C. Speakman, Fire Chief
SUBJECT: Consideration of an Agreement in the Amount of $151,681 with Blue Water Builders for the Fire Department Kitchen Remodel Project and Transfer of $10,316 from the Fire Department Contract Services Account

RECOMMENDATION

Approve the attached agreement with Blue Water Builders in the amount of $151,681 for the Fire Department Kitchen Remodel Project and authorize the transfer of $10,316 from the Fire Department Contract Services Account (411-054-001) to cover the budget shortfall for this project.

BACKGROUND

In FY 07-08 the Council approved $85,000 for the remodeling of the Fire Department kitchen. Harris & Associates worked with the department to develop specifications and cost estimates for the project. Based on Harris’ analysis, an additional $70,000 was requested in FY 08-09 for a total project budget of $155,000. Harris’ costs in FY 07-08 were $12,953.

In the spring of 2008, it became clear that utilizing the city’s engineers for creation of bid specifications and design would take this project substantially over budget. Working with the City Clerk, City Attorney and Harris & Associates, I was able to develop an RFP for the kitchen project instead at a total cost of $682. The RFP was issued on July 9. Two proposals were received on July 21, 2008.

Blue Water Builders $151,680
Bay Construction Company $156,000

Although the low bid was within the total project budget, the expenditure for engineering services has reduced the balance in the project account to $141,365. Therefore, I am requesting the transfer of $10,316 from the Fire Department Contract Services account (411-054-001) to cover this shortfall. Although this will require some adjustments in operations, the rehabilitation of electrical, plumbing and non-code compliant equipment in the kitchen is a top priority for the department.
CONTRACT

THIS CONTRACT made this 15th day of September 2008, by and between the CITY OF PIEDMONT, California, hereinafter called the "Owner", and BLUE WATER BUILDERS, hereinafter called the "Contractor".

WITNESSETH:

WHEREAS, the Owner has accepted the Contractor's proposal to do the work referred to in the Request for Proposal for the Fire Station Kitchen Remodel Project dated August 8, 2008,

NOW, THEREFORE, the parties agree as follows:

1. The Contractor shall perform the work described in the contract documents in a good and workmanlike manner and to the extent of ascertaining whether said work is being performed in accordance with the contract documents, under the direction and to the satisfaction of the Owner.

2. The contract documents consist of this contract, together with the entire Request for Proposal for the Fire Station Kitchen Remodel Project which is hereby incorporated herein and made a part hereof as though set forth in full herein and dated September 15, 2008.

3. Said work shall be commenced per the terms of the Contractor's RFP and shall thereafter be prosecuted diligently and completed within the time limit fixed. Time is of the essence in this contact.

4. Upon performance of this contract by the Contractor and the fulfillment of all the terms, covenants and conditions undertaken by the Contractor pursuant to the contract documents, the Owner will pay the Contractor $151,681 for said work as set forth in the Contractor's proposal for said work in the manner provided by law and the contract documents.

5. This contract shall bind and benefit the successors and assigns of the respective parties hereto, provided, however, that this contract shall not be assignable by the Contractor without the prior written consent of the Owner.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the date first above written.
PIEDMONT RESOLUTION NO.          DATED:    July 15, 2008

CITY OF PIEDMONT                 BLUE WATER BUILDERS

Approved as to form and legality:

_________________________________  _____________________________________
Steve Kaufman, Owner                  George S. Peyton, Jr., City Attorney

_________________________________
Geoffrey L. Grote, City Administrator

_________________________________
Abe M. Friedman, Mayor

_________________________________
Attest: Ann Swift, City Clerk