



**Construction Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 25
AGENDA DATE: Thu 01/13/2005
PAGE: 1 of 3**

SUBJECT: Authorize execution of a construction contract with FAZZONE CONSTRUCTION CO., INC., Cedar Park, TX, for Metz Recreation Center Renovation and Addition in the amount of \$1,151,173 plus a \$114,355 contingency, for a total contract amount not to exceed \$1,265,528.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$1,265,528 is available in the Fiscal Year 2004-2005 Capital Budget of the Parks and Recreation Department.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Public Works
DEPARTMENT: for Parks and Recreation;

**DIRECTOR'S
AUTHORIZATION:** Sondra Creighton

FOR MORE INFORMATION CONTACT: Norman Mattson, 974-7025 ; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: Ordinance No. 040729-39 vacating 0.439 acres of the 600 Block of Pedernales St. was approved July 29, 2004.

BOARD AND COMMISSION ACTION: Recommended by the Planning Commission and the Urban Transportation Commission.

PURCHASING: Lowest bid of seven received.

MBE / WBE: 12.46% MBE and 2.08% WBE subcontractor participation.

Metz Recreation Center is located in East Austin at 2407 Canterbury Street. The current facility, built in the early 1980's, is unable to meet the needs of the neighborhood because it does not provide adequate space for the programs and functions requested by the community. It is also in need of major maintenance to the roof assembly and HVAC equipment. The building will benefit from the installation of gutters to better protect the exterior walls from water damage and the interior wall surfaces from water penetration. The Parks and Recreation Department and the consultant have worked with the Metz Advisory Board to develop a project, which would better meet the needs of the community and also address required maintenance.

This project will include a new sloped roof and gutter system, new energy efficient HVAC system, major renovation to the interior finishes, new and expanded rest room facilities, a new 1,320 square foot multi-purpose room, and reorganization of interior spaces to better accommodate program functions. Austin Energy has provided funding for a new roof-mounted photovoltaic system. A contingency of \$114,355 has been included to allow the expeditious processing of any future change orders, which are common in building renovations due to unforeseen conditions.

The contract allows for 300 calendar days to reach substantial completion of the project. Substantial Completion is scheduled for mid-November 2005.

Bid documents were distributed to 12 general contractors. Bids were opened on November 4, 2004. Fazzone Construction Co., Inc. submitted the lowest of 7 responsive bids received:



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Fazzone Construction, Inc., Cedar Park, TX	\$1,138,555.00
Brandes Brothers Constructors, Inc., Austin, TX	\$1,139,800.00
Barth, Inc., Round Rock, TX	\$1,159,632.00
Southwest Corporation, Austin, TX	\$1,185,000.00
D.L. Brandy Constructors, Inc., San Marcos	\$1,196,000.00
Barecky Construction Co., Wimberley, TX	\$1,239,685.00
M.W. Morgan Construction, Inc., Austin, TX	\$1,395,000.00

The contractor's choice of work methodology provides for 13 areas of subcontracting opportunities listed below. Project specific subgoals stated in the solicitation were 2.35% African American; 8.02% Hispanic; 0.99% Native American; 1.75% Asian American, 4.70% WBE. Total participation estimated on base bid amount of \$1,138,555.00:

NON M/WBE TOTAL – PRIME	\$542,631.00	47.66%
Fazzone Construction, Inc., Cedar Park, TX	\$542,631.00	47.66%
MBE TOTAL – SUBCONTRACTORS	\$119,093.00	10.46%
African American Subtotal	\$26,891.00	2.36%
Jay Harper Construction, Co., Austin, TX (site work)	\$26,891.00	2.36%
Hispanic Subtotal	\$92,202.00	8.10%
JJ&C Construction, Inc., Austin, TX (concrete)	\$34,802.00	3.06%
QA Systems, Austin, TX (roofing)	\$57,400.00	5.04%
WBE TOTAL – SUBCONTRACTORS	\$23,660.00	2.08%
Roadway Specialties Inc, Austin, TX (landscaping)	\$490.00	0.04%
DEA Specialties, San Antonio, TX (toilet partitions)	\$5,525.00	0.49%
(FH)Sunrise Painting, Austin, TX (painting)	\$16,630.00	1.46%
(FH)ABC Erosion Control, Leander, TX (erosion control)	\$1,015.00	0.09%
NON M/WBE TOTAL – SUBCONTRACTORS	\$453,171.00	39.80%
Minyard, City, ST (electrical)	\$78,725.00	6.91%
Lonestar Interiors, Austin, TX (drywall)	\$45,296.00	3.98%
Southwest Constructors, Austin, TX (asbestos abatement)	\$14,400.00	1.27%
Cen-Tex Masonry, Inc., Georgetown, TX (masonry)	\$53,440.00	4.69%
Dennis Steel, Leander, TX (steel)	\$65,500.00	5.75%
Davey Plumbing, Buda, TX (plumbing)	\$66,950.00	5.88%
San Marcos Air, San Marcos, TX (HVAC)	\$128,860.00	11.32%

Although the Department of Small and Minority Business Resources deemed that Fazzone Construction

RCA Serial#: 7468 Date: 01/13/05 Original: Yes

Disposition:

Published:

Adjusted version published:



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Company did not satisfy the requirements of the MBE/WBE Procurement Program Ordinance, the City Manager has determined award of the contract is in the best interest of the City of Austin. A Waiver memo has been signed. Second and third low bidder information is provided.

SECOND BIDDER – Brandes Brothers Constructors, Inc., Austin, TX - \$1,139,800.00
27% Non M/WBE prime participation; 0.00% MB; 10.00% MH; 0.00% MN; 0.00% MA; 1.10% WBE;
63% Non M/WBE subcontractor participation. Non-Compliant.

THIRD BIDDER – Barth, Inc., Round Rock, TX - \$1,159,632.00
28.80% Non M/WBE prime participation; 0.00% MB; 4.30% MH; 0.00% MN; 0.00% MA; 1.06% WBE;
54.20% Non M/WBE subcontractor participation. Non-Compliant.

**CIP BUDGET
FISCAL NOTE**

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

1/13/2005
Resolution
Parks and Recreation

DESCRIPTION: *Authorize execution of a construction contract with FAZZONE CONSTRUCTION CO., INC., Cedar Park, TX for Metz Recreation Center Renovation and Addition in the amount of \$1,151,173 plus a \$114,355 contingency, for a total contract amount not to exceed \$1,265,528.*

FINANCIAL INFORMATION

Project Name:	Metz Recreation Center Expansion
Project Authorization:	2004-2005 Approved Capital Budget
Funding Source:	Austin Energy - Holly Mitigation Good Neighbor Public Works Capital Projects Management Fund
Fund/Agency/Orgn:	8740-867-3300

Current Appropriation	\$1,600,000.00
Unencumbered Balance	\$1,265,528.00
Amount of this Action	<u>(\$1,265,528.00)</u>
Remaining Balance	<u><u>\$0.00</u></u>

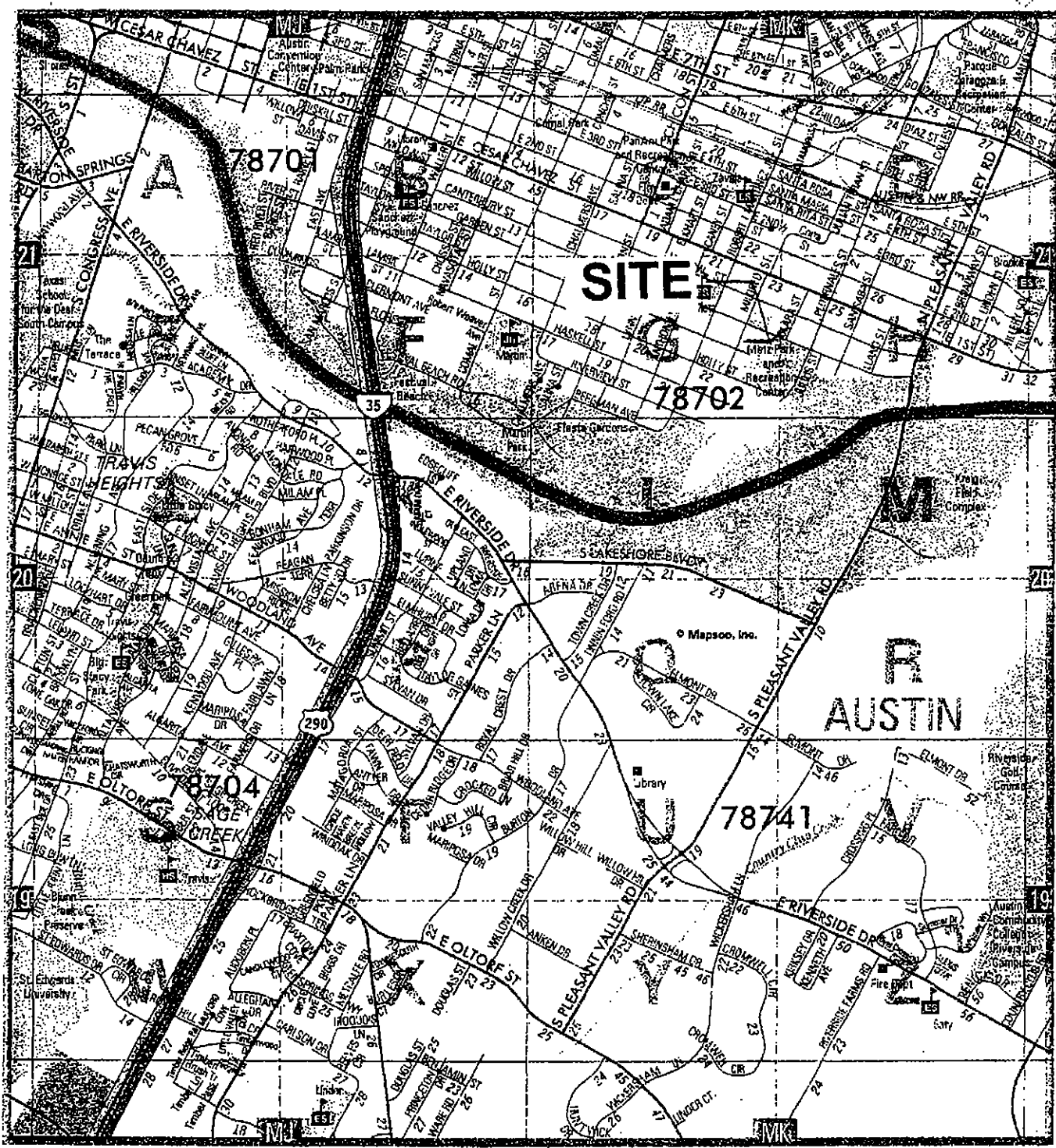
Financial Manager: _____



Date: _____

1/6/05

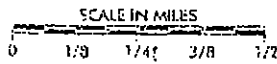
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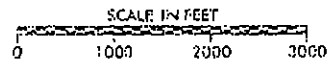
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CONTINUED ON MAP 616



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Project: Melz Recreation Center Improvements and Expansion
Recommended Low Bidder: Fazzone Construction Co., Inc.

Low Bid Amount: \$1,138,555.00

Project Goals: AA = 2.35; Hisp = 8.02; NA = 0.99 %; Asi = 1.75 %; NA/Asi = 0.00 ; WBE = 4.70

Achieved Goals: AA - 2.36%; Hisp. - 8.10%; NA - 0.00%; Asi - 0.00%; WBE - 2.08%

Commodity	Description	Certified	Non Certified	Cert. AA	Sol. AA	Resp. AA	Cert. Hisp	Sol. Hisp	Resp. Hisp	Cert. NA	Sol. NA	Resp. NA	Cert. As	Sol. As	Resp. As	Cert. WBE	Sol. WBE	Resp. WBE
01005	ACOUSTICAL TILE, ALL TYPES			0	0	0	0	0	0	0	0	0	0	0	0	2	2	0
0310301	AIR CONDITIONERS, COMMERCIAL			0	0	0	2	1	0	0	0	0	0	0	0	0	0	0
03133	DUCT, FABRICATED, METAL			0	0	0	2	1	0	0	0	0	0	0	0	0	0	0
15008	CABINETS, COUNTERS			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15025	DOORS, FRAMES			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1509298	WINDOWS, ALUMINUM			0	0	0	0	0	0	0	0	0	0	0	0	1	1	0
15094	WINDOWS, FRAMES			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15570	PORTABLE TOILETS			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28554	LIGHTING FIXTURES, INDOOR			0	0	0	1	1	0	0	0	0	0	0	0	1	1	0
33065	FENCING, TEMPORARY			0	0	0	1	1	1	0	0	0	0	0	0	2	1	0
46026	DOOR CLOSERS			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5408171	SHEETROCK (DRYWALL)	45,286.00		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57054	SHEET METAL, FABRICATED	65,500.00		0	0	0	1	1	0	0	0	0	0	0	0	1	1	0
57081	STEEL STUDS, DRY WALL			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
67002	BATHROOM ACCESSORIES			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
67055	PLUMBING FIXTURES AND PARTS			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
67068	TOILET PARTITIONS AND DOORS	5,525.00		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7451414	ASPHALTIC CONCRETE PVMNT			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
77045	INSULATION, ROOF, ALL KINDS			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
80156	SIGNS (ADA)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
90045	FINISHES, FLOORS/CEILINGS			4	1	0	8	2	0	1	1	0	3	1	0	4	2	1
9122376	STRUCTURES, STEEL			1	0	0	0	0	0	0	0	0	2	1	0	0	0	0
91240	DEMOLITION SERVICES	26,891.00	14,400.00	4	1	1	9	2	0	0	0	0	1	0	0	2	0	0
91244	EXCAVATION SERVICES			5	2	1	16	6	0	0	0	0	0	0	0	4	1	1
9135051	PAVEMENT MARKING			0	0	0	1	0	0	0	0	0	0	0	0	2	2	1
91427	CARPENTRY			1	0	0	12	0	0	0	0	0	2	0	0	2	0	0
91438	ELECTRICAL		79,725.00	2	2	0	8	7	1	0	0	0	0	0	0	5	5	1
91447	GLASS AND GLAZING			0	0	0	2	1	1	0	0	0	0	0	0	1	1	0
91450	HVAC		128,880.00	0	0	0	4	4	0	0	0	0	1	1	0	1	1	0
91455	MASONRY		53,440.00	3	1	0	10	4	1	1	1	0	1	0	0	3	2	0
91461	PAINTING	16,630.00		3	1	0	19	9	3	0	0	0	0	0	0	3	1	0
91464	PLASTERING			1	0	0	6	1	0	0	0	0	1	0	0	2	1	0
9146898	PLUMBING, NON-RESIDENTIAL		66,980.00	0	0	0	2	2	0	0	0	0	0	0	0	1	0	0
91473	ROOFING	57,400.00		2	0	0	6	2	1	0	0	0	0	0	0	1	0	0
96240	HAZARDOUS MATERIAL SVC			0	0	0	0	0	0	0	0	0	0	0	0	1	1	0
9688241	FOUNDATION, CONCRETE	34,902.00		2	0	0	2	1	0	0	0	0	1	0	0	2	2	0
99814	EROSION CONTROL SERVICES	1,015.00		3	1	1	2	1	1	0	0	0	0	0	0	5	5	0
9985399	LANDSCAPING	490.00		4	2	1	4	2	2	0	0	0	0	0	0	3	2	1
		\$ 142,753.00	\$ 453,201.00	35	11	4	116	49	11	2	2	0	13	4	0	52	35	5
				18			66			1			7			36		



MEMORANDUM

To: Toby Hammett Futrell, City Manager
Joe Canales, Deputy City Manager

From: Sondra Creighton, P.E., Director, Public Works Department
Warren Struss, Director, Parks and Recreation Department

Date: January 3, 2005

Re: Metz Recreation Center – Renovation and Addition

This construction contract will provide for the renovation and addition of the Metz Recreation Center located at 2407 Canterbury Street. The renovation will address building systems in need of replacement due to age: the roof /gutter system and the HVAC system. The addition will provide for a new 1,320 square foot Multi-Purpose Room for community activities. Included in the work scope will be new and expanded rest room facilities, reorganization of interior spaces to allow better supervision by staff, improved ADA parking and access to the right-of-way on Canterbury Street.

Bids for this project were opened November 4, 2004. Seven (7) responsive bids were received with Fazzzone Construction Inc. submitting the low bid. The first four low bidders were deemed non-compliant by the Department of Small and Minority Business Resources. No further reviews were conducted by DSMBR. The major reason for the four bidders being found non-compliant is that the project involves a significant amount of roofing work. Historically we have found that roofing does not lend itself towards subcontracting. For future contracts where roofing is the primary scope of work, goals will be adjusted accordingly.

<u>Bidder</u>	<u>Bid Amount</u>
Fazzzone Construction, Inc.	\$1,138,555
Brandes Brothers Constructors, Inc.	\$1,139,800
Barth, Inc.	\$1,159,632
Southwest Corporation	\$1,185,000
D.L. Bandy Constructors, Inc.	\$1,196,000
Barecky Construction Co.	\$1,239,685
M.W. Morgan Construction, Inc.	\$1,395,000

Project Specific sub-goals stated in the solicitation were 2.35% African American; 8.02% Hispanic; 0.99% Native American; 1.75% Asian American; 4.70% WBE. Participation for the four low bidders is summarized in the chart below:

Metz Recreation Center Improvement and Expansion Project (PW04200086)	AA	H	NA	AS	WBE
<i>Solicitation Goals</i>	2.35%	8.02%	1.75%	0.99%	4.70%
Fazzone Construction Co. Inc. (Non-M/WBE)	2.36%	8.10%	0.00%	0.00%	2.08%
Brandes Brothers Constructors (Non-M/WBE)	0.00%	10.00%	0.00%	0.00%	1.10%
Brath Inc. (Non-M/WBE)	0.00%	4.30%	0.00%	0.00%	1.06%
Southwest Corporation	0.00%	10.02%	0.00%	0.00%	0.84%

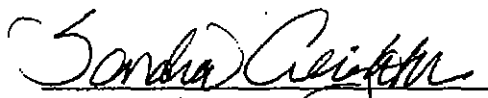
Project participation achieved by Fazzone Construction, Inc. was: 2.36% African American; 8.10% Hispanic; 0.00% Native American; 0.00% Asian American; 2.08% WBE. Fazzone Construction, Inc. did not meet the goals of the solicitation and they failed to provide substantial Good Faith Efforts documentation as required by City Code, Section 2-9-22 (B) and (E).

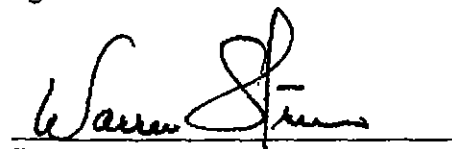
However, the interests of the City of Austin and the M/WBE Program would be best served by awarding the construction contract to the low bidder, Fazzone, Construction, Inc., for the following reasons:

- This project bid 58% over the construction estimate due to material price increases and inflation. Going to a higher bidder will make the budget shortfall worse.
- The community has experienced delays due to the recent budget problems of the City. Awarding to the low bidder is in the best interests of the project because it will save rebidding costs and allow us to maintain the current schedule.
- Construction costs appear to be on an escalating trend and the delays associated with rebidding would probably make the situation worse.

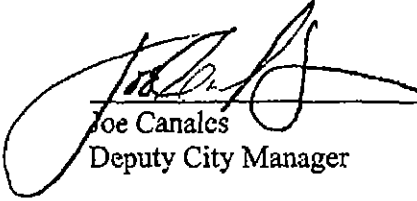
Please sign below to indicate your concurrence or non-concurrence with our recommendation to award the construction contract to Fazzone Construction, Inc.

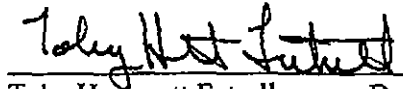
If you have any questions, please contact Sondra Creighton at 974-7175 or Warren Struss at 974-6717.


Sondra Creighton, P.E.
Director of Public Works


Warren Struss
Director of Parks and Recreation

I Concur:

 1-4-05
Joe Canales Date
Deputy City Manager

 1/4/05
Toby Hammett Futrell Date
City Manager

I Do Not Concur:

Joe Canales Date
Deputy City Manager

Toby Hammett Futrell Date
City Manager