



City Council Agenda Report

Meeting Date: July 9, 2024

Initiated By: Staff

Prepared By: Public Works Department

Approved By: Gabe Engeland

Subject Project Acceptance: City Hall Council Chambers Audio/Visual Upgrade,
Project CD-01021

COUNCIL PRIORITY AREA

- Business Communities
- Circulation Safety and Efficiency
- Environmental Sustainability
- Housing
- Neighborhood Safety Infrastructure
- General Government

RECOMMENDATION

Move to adopt Resolution No. 2024-__ accepting completion of the City Hall Council Chambers Audio/Visual Upgrade, Project CD-01021; and authorize the Public Works Director to record a Notice of Completion as required by law, and find the action exempt from review under CEQA pursuant to CEQA guidelines Section 15300.2

FISCAL IMPACT

The project is funded by the Public Educational and Governmental Access Support Fees (PEG Fees) and Capital Improvement Fund (62) from FY20 to FY22; any remaining budget from the total available project funds will be returned to the general fund balance for future allocations.

The following table summarizes the final cost of this project.

Project Item	Project Budget	Final Cost
Design	\$92,450.00	\$92,450.00
Construction	\$1,055,170.09	\$1,071,135.60
Construction Inspection	\$16,447.50	\$16,447.50
Printing/Environmental Doc/Misc.	\$1,500.00	\$900.00
Total Cost	\$1,165,567.59	\$1,180,933.10
Total Available Project Funds	\$1,236,400.00	\$1,236,400.00

SUMMARY

- The city advertised the City Hall Council Chambers Audio/Visual Upgrade, Project CD-01021, on June 8, 2020, on the City website and on the Town Crier on June 17, 2020, and on June 24, 2020.
- On July 2, 2020, the City received six (6) bids, and on July 7, 2020, the City opened the bids in a public virtual session due to the Shelter-in-Place order issued by the County of Santa Clara.
- The lowest responsive and responsible bidder was EIDIM Group, Inc. with the Total Base Bid in the amount of \$1,055,170.09.

BACKGROUND

The City Council approved the design of City Hall Council Chambers Audio/Visual Upgrade, Project CD-01021, as part of the Fiscal Year 2017/18 Mid-year Budget Update. The project consisted of replacing outdated and obsolete technology related to the recording and/or broadcasting of Council and Commission meetings held in the Council Chambers. The project also triggered required ADA improvements for the Council Chambers.

On February 25, 2020, the City Council directed staff to finalize the design of the project and to proceed with soliciting bids for the construction of the project. On July 7, 2020, the City opened six (6) bids in a public virtual session due to the Shelter-in-Place order issued by the County of Santa Clara. On July 14, 2020, EIDIM Group, Inc. was awarded the total bid for Project CD-01021 in the amount of \$1,055,170.09.

On August 17, 2021, EIDIM declared a default, terminated the Contract Agreement with the City, and made a demand upon Western National Mutual Insurance Company (Surety) to complete the project. Surety executed a Contractor's Bond for Faithful Performance and Contractor's Bond for Labor and Materials in the penal sum of \$1,055,170.09 ("the Bond Penalty") on behalf of EIDIM Group, Inc. (EIDIM). The surety then appointed Integra Construction Services, Inc. to perform the construction of the project pending items that EIDIM did not complete.

ENVIRONMENTAL REVIEW

The acceptance of the work is categorically exempt from review under California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301(a) (Existing Facilities), in that the project consists of the interior and exterior alterations of existing facilities. Also, the project involves negligible or no expansion of existing or former uses, and none of the circumstances stated in CEQA Guidelines Section 15300.2 apply.

PREVIOUS COUNCIL CONSIDERATION

February 27, 2018; January 8, 2019; January 14, 2020; January 28, 2020; February 25, 2020, and July 14, 2020

DISCUSSION/ANALYSIS

Integra Construction Services, Inc. completed the construction for the City Hall Council Chambers Audio/Visual Upgrade, Project CD-01021, per plans and specifications. This project consisted of the rehabilitation of the entire City Chambers, which included but was not limited to the replacement of the existing Audio/Visual (AV) system, the public benches, and the dais. The

highlight of the project was the installation of the ADA ramp and the ADA lift system, which was designed to meet the requirements of the American Disability Act.

The construction was completed by the end of November 2022. However, issues with the AV system occurred during City Council meetings. These issues included the following: audio feedback, microphone issues, and overall operation of the system. Staff worked with the designer, the contractor, its subcontractor, and third-party vendors to investigate and resolve these issues. The system is currently in operation, and staff considers construction complete per the contract documents and original project design. Additional changes to the AV system would not be considered in the contract, and staff may propose future work under separate efforts to further optimize the system.

Throughout the project construction duration, change orders were issued due to contractor-initiated value engineering proposals and unforeseen conditions. The change orders from value engineering proposals resulted in cost savings for the City and enhanced functionality in the Council Chambers. However, the change orders due to unforeseen conditions resulted in additional costs to the total contract, which brought the total final construction cost to \$1,071,135.60. The project construction cost savings, and additional project unspent amount from the total available project funds will be returned to the PEG Fund for future allocations.

ATTACHMENT

1. Resolution 2024-