



DATE: February 22, 2022

TO: Mayor and City Council

FROM: Director of Maintenance Services

SUBJECT Adoption of a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Newton Construction & Management for the Tenant Improvements and Workspace Reconfiguration for Fire Administration in an Amount Not-to-Exceed \$311,762, and Making Associated Findings Authorizing Procurement of the Work through a Cooperatively Purchased Contract

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute an agreement with Newton Construction, in an amount not-to-exceed \$311,762, and making associated findings authorizing procurement of the work through a cooperatively purchased contract.

SUMMARY AND BACKGROUND

As part of the Facilities Capital Improvement Program (CIP), a workspace reconfiguration project within a City department's workspace is completed each fiscal year aimed at updating aging infrastructure to better support collaborative work spaces that meet the individual operational needs of each department. Over the past twenty years, staff has worked diligently within the Fire Administration office, as well as Fire Station 1 to create appropriate workspaces that allow for and support both collaboration and confidentiality when necessary. Unfortunately, when built in 1997, the Fire Administration offices in City Hall were not designed in a manner to support the operational needs of the Hayward Fire Department. Using a combination of both architectural and aesthetic improvements, the reconfiguration of space within the Fire Administration office will improve the overall functionality and efficiency within the workplace. The proposed office space, partitioned by glass walls, can ensure conversations are kept private, which is a necessity when dealing with confidential personnel concerns and/or private health-related items. The new design will include areas that encourage a collaborative work environment coupled with dedicated office space for confidentiality and privacy when needed.

DISCUSSION

When built in 1997, Hayward City Hall, at 777 B Street, was not originally designed to include office space for Fire Administration. However, when Fire Administration transitioned their operations to the 4th floor, the existing office space was re-arranged in a manner to make best use of the existing space and furnishings. The Facilities Workspace reconfiguration CIP project began in 2019 with a focus on improving the functionality of the Development Services Permit Center. In the years following, other City departments within City Hall have received tenant upgrades as a part of this Facilities CIP project. In FY22, Fire Administration was identified as an area of need and staff from Facilities and Fire Administration have worked collaboratively to create an appropriate design and scope of work to create a more functional workspace.

Hayward Municipal Code Section 2-8.01 requires new construction in excess of \$35,000 that results in adding space or capacity to an existing facility or that results in extending the useful life of an existing facility to be competitively bid, or alternatively for the work to be procured in the open market if the Council deems it more beneficial or economical to do so.

For this project, staff is proposing to use a contract that was cooperatively purchased by Sourcewell, a Minnesota public agency, formerly known as the National Joint Powers Authority (NJPA). Cooperative purchasing, sometimes referred to as “piggyback purchasing/procurement” is a process where the procurement is conducted by, or on behalf of one or more public procurement units. The Joint Exercise of Powers Act (Gov. Code 6500 et seq.) authorizes public agencies to enter into an agreement to jointly exercise any power in common, , including with agencies outside the state of California. The City of Hayward is a long-time member of the Sourcewell JPA and has utilized Sourcewell’s cooperatively purchased contracts in the past.

Newton Construction & Management, Inc. was awarded a multi-year contract by Sourcewell to provide general building and construction services to Sourcewell/NJPA members throughout California. The bid was advertised throughout California and resulted in 32 bid proposals, which competitively bid construction tasks with pre-set unit prices and specifications for general construction services including materials, equipment, and labor costs. This procurement method complies with the City of Hayward’s purchasing policies as well as the requirements of Municipal Code Section 2-8.01 relating to procuring work for new construction in the open market as an alternative to competitive bidding. Based on the discussion above, the Council can find that it is more beneficial and economical to utilize Sourcewell’s cooperatively purchased contract with Newton Construction & Management for the Workspace Reconfiguration for the Fire Administration, as opposed to conducting a local bid process.

A job walk was held and Newton Construction & Management submitted a proposal in the amount of \$296,616. Additionally, City staff are requesting a 5% project contingency in the amount of \$14,846. Staff has reviewed this proposal and recommends award not-to-exceed \$311,762.

This project is categorically exempt from environmental review pursuant to Section 15301 of the CEQA Guidelines relating to minor alterations to existing public structures or facilities.

FISCAL IMPACT

The total project cost (\$346,762) will be funded through a combination of existing budget in the FY22 Facilities Capital Improvement Project (\$100,000) and a FY22 mid-year adjustment of \$246,762. The itemized project costs are summarized below:

ITEMIZED PROJECT COSTS	
Newton Construction & Management	\$296,916
Contractor Contingency	\$14,846
Facilities Staff T/M	<u>\$35,000</u>
TOTAL PROJECT COST	\$346,762

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not relate to any of the six priorities outlined in the Council's Strategic Roadmap.

NEXT STEPS

Approve the attached resolution not-to-exceed \$311,762 with Newton Construction & Management for the Workspace Reconfiguration for Fire Administration.

Prepared by: Tara Reyes, Fire Services Supervisor
Liz Sanchez, Management Analyst II

Recommended by: Todd Rullman, Director of Maintenance Services

Approved by:



Kelly McAdoo, City Manager