



Midpeninsula Regional
Open Space District

R-23-89
Meeting 23-19
July 26, 2023

AGENDA ITEM 3

AGENDA ITEM

Award of Contract to United Builders Corporation of San Jose, California to Complete a Minor Modification of Office Space at the Main Administrative Office

GENERAL MANAGER'S RECOMMENDATIONS

1. Award a contract to United Builders Corporation to convert one large office suite into two to optimize for both staff facility use and available office rental space for a not-to-exceed base contract amount of \$277,260.
2. Authorize a 10% contingency in the amount of \$27,726 to be reserved for unanticipated issues, bringing the total not-to-exceed contract to \$304,986.

SUMMARY

The Midpeninsula Regional Open Space District (District) issued a Request for Bids (RFB) to convert one large office suite into two smaller suites to optimize use of the main Administrative Office (Project) on June 6, 2023. The District opened the bids on July 13, 2023 and received one (1) bid proposal. United Builders Corporation of San Jose, California was identified as the lowest responsive and responsible bidder. The General Manager recommends awarding a contract to United Builders Corporation for a not-to-exceed base contract amount of \$277,260. The General Manager also recommends authorizing a 10% contingency amount of \$27,726 to cover unanticipated issues that may arise, bringing the total not-to-exceed contract amount to \$304,986. The adopted Fiscal Year 2023-24 (FY24) budget is insufficient and will require a budget adjustment to cover the work through the end of the fiscal year, which is anticipated to come from either other project savings or unspent budget funds. The project is scheduled to be completed in December 2023.

DISCUSSION

The District recently completed the renovation of a new Administrative Office facility located at 5050 El Camino Real in Los Altos, CA and has occupied the second-floor space as its Administrative Office since May 2022. With the new Hybrid work model, which arose coming out of the pandemic, the District is now able to successfully accommodate its employees using less office floor space than originally contemplated and designed. As such, a portion of the currently vacant first-floor east wing has been identified as an additional leasing area as a means to further recoup costs and generate additional revenue to support District operations. Additionally, District staff identified a new need for a classroom type space to accommodate training, large group presentations, and large group meetings.

In early 2023, the District contracted with Noll + Tam to prepare construction documents for subdividing the east wing into two suites, one for District staff use and one for tenant rental and providing a few other minor layout modifications to the existing facility. Construction documents were developed and submitted to the City of Los Altos for permitting and received permit approval.

The project includes the following:

- Conversion of One (1) 7,600 Square Foot Office Space into Two (2) Office Suites (a 5,400 square foot District office space and a 2,200 square foot tenant rental space)
- Reconfiguration of the East Entrance located off the front parking lot
- 1st Floor East Wing Entrance Modifications leading to the two new suites from the atrium
- Plumbing for the First Floor Work Room
- New Large Multipurpose Meeting Room for District use within the 5,400 square foot space

The proposed tenant suite would be the fourth (4) tenant suite located on the first floor of the Administrative Office, and the only tenant suite located on the east wing of the 1st floor. The new tenant suite will be 2,200 square feet and similar in size to two (2) other tenant suites. The tenant suite will have a large conference room, a single private office, a coffee room, huddle and breakout spaces, and roughly 1,000 square feet of open office space for shared workstations/cubicles. The reconfigured first floor District office space will accommodate 24 workstations, three (3) private offices, a combined workroom/breakroom, and include a new Multipurpose Large meeting room.

The project calls for salvage and reuse of several components, including ceiling tiles, light fixtures, fire alarm components, and audio-visual equipment. The reuse of these materials reduces the construction costs and minimizes the project's environmental footprint.

Contractor Selection

A Request for Bids was issued on June 6, 2023 via Periscope and released to three builders' exchanges. Legal notices were posted in the San Jose Mercury News and San Mateo County Times, and a link to the solicitation was posted on the District website. Two mandatory pre-bid site walks were held on June 21, 2023 and June 28, 2023 with 10 total contractors in attendance.

The District received one bid and publicly opened the bid on July 13, 2023 and announced United Builders Corporation as the apparent low bidder. The detailed breakdown of the bid received is as follows.

Bidder	Location	Total Base Bid	Percent +/- from Engineers Estimate (\$215,000)
United Builders Corporation	San Jose, CA	\$277,260	+29%

United Builders Corporation provided references as part of the bid submission. Staff received feedback from these references confirming that United Builders Corporation has adequate experience performing this type of work for similar public agencies, including the Town of Saratoga.

United Builders Corporation bid pricing exceeded the Engineer's estimate by 29%. Staff met with United Builders Corporation to review the bid proposal and receive feedback on the factors that led to higher than anticipated pricing. These factors include significant coordination between several subcontractors on a small project, inefficiencies associated with working in an occupied facility, and higher than estimated door and hardware costs. Staff confirmed that these factors were not adequately accounted for in the engineer's original estimate. Therefore, both staff and the General Manager recommend awarding the contract to United Builders Corporation as the lowest responsible and responsive bidder at the proposed base bid amount.

FISCAL IMPACT

The adopted FY24 budget includes \$265,000 for the AO Layout Modification Project #35029. The project budget is insufficient and will require a budget adjustment during a quarterly review to cover the recommended action and expenditures, which is expected to be covered by other project savings or unspent funds.

AO Layout Modifications #35029	Prior Year Actuals	FY24 Adopted	FY25 Projected	FY26 Projected	Estimated Future Years	TOTAL
Total Budget:	\$0	\$265,000	\$0	\$0	\$0	\$265,000
Spent-to-Date (as of 07/13/23):	\$0	\$0	\$0	\$0	\$0	\$0
Encumbrances:	\$0	\$0	\$0	\$0	\$0	\$0
United Builders Corporation Contract:	\$0	(\$277,260)	\$0	\$0	\$0	(\$277,260)
10% Contingency:	\$0	(\$27,726)	\$0	\$0	\$0	(\$27,726)
Budget Remaining (Proposed):	\$0	(\$39,986)	\$0	\$0	\$0	(\$39,986)

The recommended action is not funded by Measure AA.

PRIOR BOARD AND COMMITTEE REVIEW

The Administrative Office (AO) Project previously came to the Board at the following public meetings:

- **August 22, 2018:** The Board approved a contract with Noll + Tam to assess and design the AO based on Board approved project design goals, program elements, and space needs ([R-18-97](#) Board Report and [Minutes](#)) ([R-18-100](#) Board Report and [Minutes](#)).
- **October 24, 2018:** The Board began the design process for the new AO by prioritizing goals and space needs ([R-18-123](#) Board Report and [Minutes](#)).
- **May 22, 2019:** The Board approved final schematic design and associated cost estimate ([R-19-64](#) Board Report and [Minutes](#)).
- **October 9, 2019:** The Board reviewed the design development plans and revised cost estimate to confirm that the Project as designed meets the Board approved project

goals, program elements, design direction, and project budget ([R-19-130](#) Board Report and [Minutes](#)).

- **January 20, 2021:** The Board authorized the General Manager to enter into a construction contract with BHM Construction, Inc., of Napa, CA for the construction of the Project ([R-21-09](#) Board Report and [Minutes](#)).
- **December 14, 2022:** The Board authorized the General Manager to amend a contract with Noll + Tam Architects to provide lease space design services for the Administrative Office Project ([R-22-143](#) Board Report and [Minutes](#)).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

In accordance with the State California Environmental Quality Act (CEQA) Guidelines, the proposed project is categorically exempt from CEQA under Section 15301, Existing Facilities. This exemption consists of the operation, repair, maintenance, permitting, or minor alteration of existing public or private structures, facilities, mechanical equipment, involving negligible or no expansion of existing or former use and allows an increase up to a 2,500 square feet addition. The scope of work for this project is consistent with the description of this exemption. District staff will file Notices of Exemption upon contract approval.

NEXT STEPS

If approved, the General Manager will enter into a contract with United Builders Corporation. Final contract signature is subject to meeting all District requirements, such as having all required insurance and bonding in place. Work is scheduled to begin in September 2023 and conclude in December 2023.

Attachment:

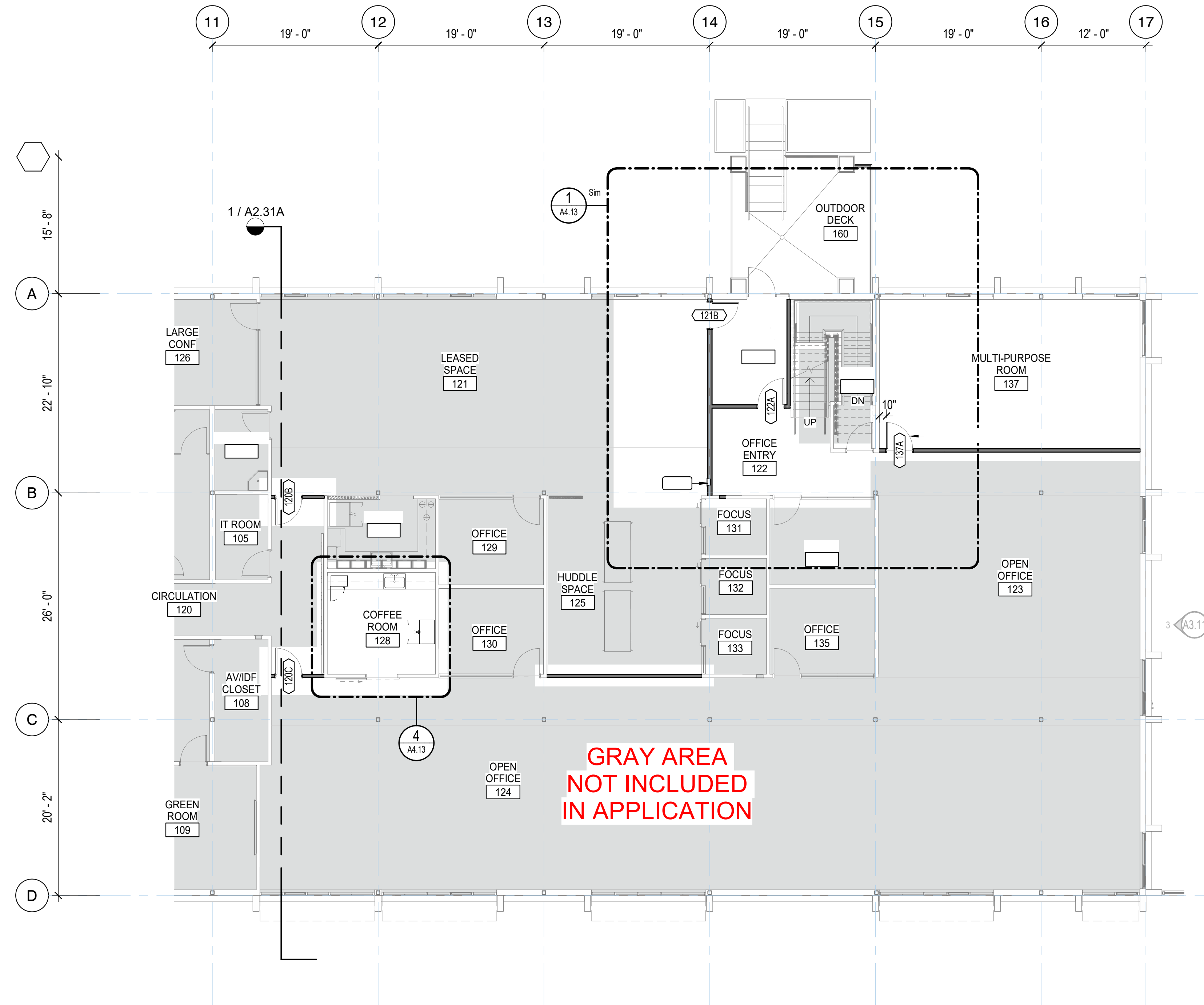
1. Exhibit 1- Office Layout Modification Floor Plan – 1st Floor

Responsible Department Head:

Jason Lin, P.E., Engineering and Construction Department Manager

Prepared by:

Paul Kvam, Senior Capital Project Manager



1 FIRST FLOOR PLAN
A2.31B 1/8" = 1'-0"

KEYNOTES

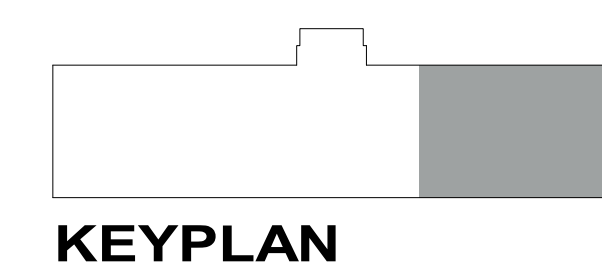
Key Value	Keynote Text
10-23	RECESSED FIRE EXTINGUISHER CABINET

GENERAL NOTES

- REFER TO SHEET A8.40-A8.41 FOR DOOR SCHEDULE AND TYPICAL DOOR TYPES.
- REFER TO SHEET A9.13 FOR EQUIPMENT SCHEDULE.
- REFER TO SHEET A8.10-A8.11 FOR PARTITION TYPES

SYMBOLS LEGEND

- NEW CONSTRUCTION
- (E) ITEM TO REMAIN
- (N) OPENING IN FLOOR/ROOF



MIDPENINSULA REGIONAL OPEN SPACE DISTRICT OFFICE LAYOUT MODIFICATION

5050 EL CAMINO REAL
LOS ALTOS, CA 94022

PERMIT SET

ISSUE DATE 05/22/23

21821.00

REVISIONS	
DATE	DESCRIPTION

DRAWN BY Author CHECKED BY Checker
SHEET TITLE

FLOOR PLAN- 1ST FLOOR

SHEET NUMBER

A2.31B