
Public notice was given to *The Register-Guard* for publication on April 12, 1988.

LANE TRANSIT DISTRICT
SPECIAL BOARD MEETING

April 15, 1988

12:00 p.m.

McNutt Room
Eugene City Hall

A G E N D A

I. CALL TO ORDER

II. ROLL CALL

Pusateri_____ Runyan_____ Smith_____ Brandt_____
Calvert_____ Eberly_____ Parks_____

III. INTRODUCTORY REMARKS BY BOARD PRESIDENT

IV. AUDIENCE PARTICIPATION

V. ITEM FOR INFORMATION AT THIS MEETING

Staff Presentation Regarding New Maintenance/Operations Facility
Construction Bids

VI. ITEM FOR ACTION AT A FUTURE MEETING

Approval of Facility Construction Bids

VII. ADJOURNMENT

bdagspec.jhs



Lane Transit District

P.O. Box 2710 Eugene, Oregon 97402 Telephone: (503) 687-5581

April 15, 1988

TO: Board of Directors
FROM: Stefano Viggiano, Planning Administrator
RE: Construction Bids for the New Facility

The facility budget approved by the Board in February 1988 included the following estimated cost for Phase 2 and Phase 3 construction:

Phase 2	\$1,201,216
Phase 3	\$6,750,754

Total	\$7,951,970

The budget also included a one percent contingency (approximately \$80,000) for change orders during construction.

Bids

Construction bids for Phase 2 and Phase 3 were opened on Thursday, April 15 at 3:00 p.m. Contractors could bid on Phase 2 (site improvements), Phase 3 (buildings), and/or a combined Phase 2 and Phase 3 bid. The District stipulated in the Invitation To Bid that an award would be made to the lowest bid for the combined Phase 2 and Phase 3 package, unless separate Phase 2 and Phase 3 bids would save the District at least \$50,000. This stipulation was in recognition of the increased costs and risks associated with having two prime contractors on the site instead of one.

A total of seven contractors submitted the following bids:

<u>Firm</u>	<u>Phase 2 Bid</u>	<u>Phase 3 Bid</u>	<u>Combined Bid</u>
R.A. Chambers & Ass.		\$8,812,000	
Eugene Sand & Gravel	\$1,388,274		
Gradeline	\$1,172,999		
Hyland & Sons		\$8,235,000	\$9,731,000
L. D. Mattson		\$8,394,000	\$9,544,000
Walt's Concrete	\$1,153,198		
Wildish -- No bid, bid error			

These bids result in apparent low bidders of Walt's Concrete for Phase 2 and Hyland and Sons for Phase 3. The combined cost for the project totals

\$9,388,198. The apparent low bidders are \$1,436,227 (18 percent) over the construction cost estimate.

Bid Analysis

The breakdown of the bids provided by the contractors reveals that the cost in several areas, most notably the mechanical system, exceeded the cost estimate. The mechanical system alone exceeded cost by \$800,000 to \$1,000,000. Other areas to come in significantly higher than budget are the masonry work and electrical work. The reasons for the increases in these areas will be carefully evaluated.

Many other areas showed smaller increases in cost. It is believed that those increases are attributable to the unfavorable and highly volatile construction market in which we find ourselves.

Course of Action

Staff and the design team will continue to evaluate the bids and scrutinize the current design, attempting to determine if there are changes which could reduce the cost of the project without significantly affecting the function of the facility or its durability. This process will take a minimum of 30 days. The construction bids are valid for 60 days.

Should there be significant changes in the design, the project must be rebid. It is not legal to significantly alter the scope of the project through the use of deductive change orders. Should the decision be made not to alter the design significantly, then staff would likely recommend to the Board that the project be awarded.

Funding opportunities will also be investigated. It may be possible to allocate additional money to the facility project by changing priorities or delaying other capital projects. Staff will be examining the full implications of such a reallocation, and contrasting that opportunity against possible design modifications.

Staff recommend working through the Facilities Committee of the Board to re-examine the design and funding issues. The Facilities Committee would then formulate a recommendation for consideration by the full Board of Directors.


Stefano Viggiano
Planning Administrator

SV:ms

