

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: July 11, 2024

PREPARED BY: Kevin Swartz, Project Manager

REQUEST: APPROVE CHANGE ORDER NO. 2 TO CONTRACT NO. C44600 WITH GARLAND/DBS, INC., FOR ROOF REPAIRS AND RELATED SERVICES ON CITY-OWNED BUILDINGS TO INCREASE THE FY 2024-25 ANNUAL AMOUNT TO \$3,500,000 (PROJECT NO. MFA00001)

RECOMMENDATION:

1. Approve Change Order No. 2 to Contract No. C44600 with Garland/DBS, Inc. for roof repairs and related services on City-owned buildings to increase the annual amount to 3,500,000 during Fiscal Year 2024-25.
2. Authorize the City Manager to review and execute amendments and any change orders per Section 3.30.170 of Ordinance No. 1335.
3. Authorize the City Manager to execute Change Order No. 2 to the agreement.

BACKGROUND/ANALYSIS:

The Facilities Division is responsible for roof repairs on all City-owned buildings including ancillary park amenities. Most of the City buildings were constructed 15 to 30 years ago, and maintenance staff and contractors have performed routine maintenance (cleanings) and repairs (cracks and leaks). Although immediate roofing issues can be addressed as emergency response, this can be difficult and time-consuming due to the limited availability of qualified companies to perform these services.

On December 15, 2022, the City Council approved Contract No. C44600 with Garland/DBS, Inc., which implemented a proactive approach for preventative and routine maintenance for roof repairs on all City-owned buildings in an amount not to exceed \$250,000 per fiscal year. On April 27, 2023, the City Council approved Change Order No. 1 to Contract No. C44600, which increased the annual contract amount to \$500,000. The contract term expires on June 30, 2026, and the City has the option to renew the contract for two additional one-year terms.

Garland has developed a program called the “Dry Zone”, that addresses roof repairs and maintenance work for various municipalities. This program has been successfully utilized by the City’s Housing Authority since 2016. Through a contract with Garland, each City-owned building roof condition will be assessed, and a report uploaded to the Roof Assessment Management Program (RAMP). Garland includes providing recommendations along with Task Order proposals by obtaining bids for specific projects to obtain the best value.

In 2023, City staff and Garland were successful in re-roofing three buildings:

Building	Cost	Completion
City Hall	\$171,154	May 2023
Artists Council	\$296,969	June 2023
Henderson	\$109,479	December 2023

In 2024, staff planned to schedule a one-year maintenance roof repair at various buildings. However, due to the age of several buildings and lack of preventative maintenance over the years, several buildings are suffering with major cracks and several new leaks. Therefore, staff contacted Garland who obtained the following three (3) re-roof proposals based upon current market demands for the following buildings:

Desert Willow - Original roof 15 years old. The roof has had four (4) areas of leaks over the last three (3) years that have been repaired numerous times.

Company	Cost
R&R Roofing	\$1,558,948
Commercial Roofing System	\$2,269,090
Chapman Coast Roof Co.	\$2,413,522

State Building - Original roof (1992). The roof has had several leaks and several repairs over the years.

Company	Cost
R&R Roofing	\$1,181,557
Chapman Coast Roof Co.	\$1,184,886
Rite-Way Roof Inc.	\$1,284,237
Commercial Roofing System	\$1,621,203

Fire Station 67 - Original roof (1991). The roof has had several leaks and several repairs over the years.

Company	Cost
R&R Roofing	\$253,875
Commercial Roofing System	\$441,168
Rite-Way Roof Inc.	\$477,346

These re-roofs are necessary to prevent further damage to the roofs, as well as potential damage to the interior of the buildings. Based on current contractors' bids (materials and labor) as shown above, the lowest bids for all three buildings total \$2,994,380.

On June 27, 2024, the City Council approved the FY 2024-25 budget, which includes funds for the re-roof of the three buildings under the Capital Improvement Project List for Fiscal Year (FY) 2024-25.

Garland’s Contract No. C44600 is for \$500,000 annually. To accommodate all three (3) projects, staff is recommending increasing the annual contract amount for FY 2024-25, \$3,000,000 for a total \$3,500,000. The remaining \$500,000 will be utilized for preventative maintenance and other unforeseen damage at the Portola Community Center, Aquatic Center, Fire Stations 33 and 71, and the Historical Society.

FINANCIAL IMPACT:

The approved Capital Improvement Project List for Fiscal Year 2024-25 includes funds in the amount of \$3,925,000 for roofing improvements and repairs under the following accounts:

Location	Account	Budget	Expenses	Balance
Desert Willow	4414195-4809200	\$1,900,000	\$1,558,948	
State Building	5104361-4400100	\$1,250,000	\$1,181,557	
Fire Station 67	2304220-4400100	\$275,000	\$253,875	
City Hall Roof Improvements	4504161-4400100	\$300,000	\$300,000	
PM Srvs and As-needed Roof Repairs	Various Accounts	\$200,000	\$200,000	
TOTAL		\$3,925,000	\$3,494,380	\$430,620

The balance may be reallocated as needed to other scheduled projects and/or emergency roofing repairs. Garland is currently conducting assessments of each the building’s roofs, so staff will allocate the funding as needed during each annual budget process. This does not mean the full amount of the contract will be allocated or expended each fiscal year.

ATTACHMENTS:

1. Contract Change Order No. 2 for C44600
2. Garland/DBS, Inc Desert Willow Proposal dated May 15, 2024
3. Garland/DBS, Inc State Building Proposal dated December 14, 2023
4. Garland/DBS, Inc Desert Willow Proposal dated May 15, 2024
5. C44600 Executed Agreement