

REPORT OF GENERAL MANAGER

NO. 04-297


DATE October 6, 2004

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FINDING UNDER CHARTER SECTION 1022 THAT FOR SPECIAL FUNDED SOURCES, CONTRACTING FOR THE CONSTRUCTION, REPAIR, AND DEMOLITION OF MASONRY STRUCTURES IS MORE ECONOMICALLY AND FEASIBLY PERFORMED BY CONTRACT THAN BY CITY EMPLOYEES

J. Combs		H. Fujita	___
*G. Stigile		K. Chan	___
F. Mok		J. Kolb	___



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board find, in accordance with Charter Section 1022, that the Department does not have the personnel available in its employ with the appropriate expertise to design and build masonry structures or properly make masonry repairs in confined spaces, and that it is more feasible and economical to secure these services by contract.

SUMMARY:

The Department's Citywide Facility Repair Section currently uses City Contract No. 57075 to obtain masonry construction and repair services which are not regularly budgeted expenses but are funded only occasionally as special funding sources become available.

City requirements necessitate that any contract with a service or labor component must comply with Charter Section 1022. Contract No. 57075 expired on April 30, 2004, and was re-bid by the Department of General Services. However, before the new contract can be executed, a Charter Section 1022 finding that it is more economical or feasible to contract for the services than for them to be provided by City employees must be made. Pending this finding, the Department of General Services (GSD) has agreed to extend the old contract only on a month-to-month basis. As the major user of this contract, the Department of Recreation and Parks was requested by GSD to perform and provide analysis for such a finding; however, GSD has been informed that a finding by the Board of Recreation and Park Commissioners is applicable only for Department of Recreation and Parks and not for a citywide use of this contract.

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The bid for this contract required the contractor to design, construct, and repair masonry structures, including pits, pools, and pool decks. The contractor must pull applicable building permits at no extra charge. Contractor staff will have specialized skills that City personnel do not possess, such as the expertise to build and repair surge pits, and perform repairs which involve the application of epoxy under pressure. Surge pits are categorized as confined spaces where one must be specially trained and certified for safety. City employees do not possess this training and have not undergone the training in hazardous material handling which is also a requirement in many of these repair projects. The significant expense of training and maintaining certifications for work that is highly sporadic, in that it depends on special source funding, is not economical. Due to the sporadic nature of such funding, it is more economical to contract out such services than to maintain a City masonry crew for work which arises only when funding becomes available.

The Department of Recreation and Parks has used the current contractor to perform concrete demolition work at its distant camp sites. If Department employees performed such work, the Department would have to provide on-site housing for its employees, which is an expense that would make the projects cost prohibitive. Hence, it is more economical and convenient to contract out such concrete demolition work.

This report was prepared by Raymond Chang of Administrative Resources.