

STAFF REPORT

Council Business Item

DATE: September 2, 2025

TO: Honorable Mayor and Council Members

FROM: Brian Issa, Public Works Director

THROUGH: Amy Nilsen, City Manager

SUBJECT: **Authorize the City Manager to award the River Lodge Exterior Staining Project (CIP 9130) to Hamanaka Painting Co. and Establish a Maximum Contract Amount of \$158,000**

STAFF RECOMMENDATION:

Authorize the City Manager to award the River Lodge Exterior Staining Project (CIP 9130) to Hamanaka Painting Co. and establish a maximum contract amount of \$158,000.

EXECUTIVE SUMMARY:

The River Lodge was built in 1998 and since then, the elements have taken a toll on the exterior of the structure. The redwood siding and doors have faded significantly, and the surfaces are no longer sealed from moisture, particularly on the east, west and south sides. Staining and sealing the exterior of the River Lodge is maintenance that will preserve the longevity of the structure and help prevent costly repairs arising from dry rot and mold. Further, the River Lodge is a sought-after venue for various large events, so the aesthetics are important and will be significantly improved as a result of this project.

The need for River Lodge Exterior Staining Project was first identified in 2021 when it was adopted as part of the City’s Capital Improvement Plan (CIP). The staining project was part of the CIP every year from 2021 through 2025 all of which were reviewed and approved by both Planning Commission and Council vote. Staff have actively pursued the completion of this project since early 2025 and the timeline of recent actions is as follows:

- Measure E Committee approved budget for \$190,000 on March 18, 2025
- Planning Commission approved CIP on May 13, 2025
- City Council approved CIP on June 2, 2025
- City Council approved the Fiscal Year 25/26 budget which included this project for \$190,000 on June 16, 2025

The River Lodge Exterior Staining Project bid package was released and publicly advertised on June 30th, 2025. The bid period ended on July 23, 2025, at 2:00 p.m. at which time the City received two responsive bids shown in the table below:

Bidder	Base Bid Total
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Color New Corp.	\$91,000 withdrawn
Hamanaka Painting Co.	\$158,000

The apparent low bid was submitted by Color New Corp. with a total bid price of \$91,000. However, upon notification of the low bid, Color New Corp. requested a bid withdrawal due to an accounting error that drastically underestimated the cost of the project. With that, City staff notified Hamanaka Painting Co. and confirmed that the bid received from Hamanaka Painting Co. for \$158K was fully responsive and that they have active licenses and Department of Industrial Relations registration paid for and pending.

Staff find the \$158K cost of the project reasonable and appropriate given the following considerations:

1. A typical 2000sqft single family home currently costs around \$25K to have professionally painted. This works out to around \$12/sqft. The River Lodge is approximately 16,000sqft so painting would be expected to cost around \$192K. Thus, the current budget appropriation of \$190K.
2. Staining is more difficult to apply that paint, so this job was expected to cost more than a similarly sized paint job
3. The structure is much taller than a typical single story building so \$192K would probably be an underestimate as it's based on the relationship between floor area and surface area.
4. There is significant preparation work needed that if not done correctly would show through the stain as stain doesn't hide defects the way paint does
5. The contractor was required to work in sections and work around scheduled events. Breaking up a job like this makes the job less profitable and more difficult to schedule as opposed to doing it all at once.

If the project is awarded, staff anticipate being under contract later in August. Mobilization and construction is anticipated to begin shortly thereafter. The draft Notice of Potential Award is included as Attachment A.

Due to ongoing public usage of the River Lodge, careful coordination with the contractor has been necessary to complete the project before it starts raining this fall. This has included the contractor moving and/or declining other work to accommodate the City's needs. Failure to approve the project at this time will result in the project being delayed until next summer. Should the Council choose to move forward at that time, it's likely the project will need to be rebid and the City should expect a total project cost increase of approximately 3-5%.

FINANCIAL IMPACT:

The project is funded through the Measure E Funds (Fund 101). The current fiscal year funding is \$190,000. The not to exceed costs to complete the project are shown in the table below:

Item	Cost
Contract with Hamanaka Painting Co.	\$158,000

Construction Contingency (18%)	\$32,000
Total	\$190,000

RECOMMENDED COUNCIL ACTION:

1. Receive staff report and review Council questions with staff.
2. Receive Public Comment, and
3. Motion to Authorize the City Manager to award the River Lodge Exterior Staining Project to Hamanaka Painting Co. and establish a not to exceed contract amount of \$190,000.

ATTACHMENTS:

- Attachment A – Draft Notice of Potential Award