


DEPARTMENT DIRECTOR

CITY MANAGER

March 24, 2009

FROM: PATRICK WIEMILLER, Public Works Director 
Public Works Department

BY: EFREN BANUELOS, Public Works Assistant Director 
Public Works Department

STEVEN SON, Capital Projects Manager 
Public Works Department, Capital Management Division

DEBBIE BERNARD, Project Manager 
Public Works Department, Capital Management Division

SUBJECT: APPROVE A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$1,188,600.00 TO DURHAM CONSTRUCTION CO., INC. FOR THE PHASE I RENOVATIONS OF EXISTING FIRE STATIONS NO. 3 AND 4 WITHIN THE CITY OF FRESNO. *(Bid File Number 2859-11268) (Fire Station No. 3 in District 3, Fire Station No. 4 in District 7)*

KEY RESULT AREA

Customer Satisfaction, Employee Satisfaction and Prudent Financial Management

RECOMMENDATION

Staff recommends that the City Council award a construction contract in the amount of \$1,188,600.00 to Durham Construction Co., Inc. of Clovis, California, as the lowest responsive and responsible bidder for the Phase I Renovations of existing Fire Stations No. 3 and 4 and authorize the Public Works Director or his assignee to sign the contract on behalf of the City.

EXECUTIVE SUMMARY

On March 30, 2004 Council approved issuance of lease revenue Bonds to fund various capital projects in the total amount of \$58.4 Million. The funding for the Fire Departments Phase I Facilities Improvements was included in the lease revenue Bond, for a Fire Department total of \$4.8 million. This construction contract will allow these stations to be brought up to current Fire Department standards while enabling all firefighters to perform their responsibilities efficiently and safely.

KEY OBJECTIVE BALANCE

This project best balances the three Key Objectives of Customer Satisfaction, Employee Satisfaction and prudent Financial Management. This project will enable the City of Fresno's Fire Department to bring the existing Fire Stations No. 3 and 4 up to current Fire Department standards, all without expending the funds required for brand new Stations. This demonstrates good Financial Management in savings on capital buildings and future maintenance while Customer and Employee Satisfaction are both increased.

BACKGROUND

On March 30, 2004 Council approved the issuance of lease revenue Bonds which included an amount of \$4.8 Million for the Fire Department Facilities Improvements enabling the Fire Department to make needed repairs to the existing Fire Stations. Fire Station No. 3 was originally constructed in 1938 and is listed on the Local Register of Historic Resources and Fire Station No. 4 was constructed in 1948. Both of these stations require repairs and renovations to enable all firefighters to perform their responsibilities efficiently and safely. This construction contract will allow these stations to be brought up to current Fire Department standards while, in the case of Station #3, retaining its historical significance.

On October 10, 2007 Council awarded an agreement with TaylorTeter Partnership in the amount of \$332,350.00 for the preparation of plans, specifications and cost estimates for the Phase I Renovations of existing Fire Stations No. 3, and 4.

Plans and specifications were prepared and a Notice Inviting Bids was published in the Business Journal on December 29, 2008, faxed to ten (10) Building Exchanges, and posted on the City's web site. The plans and specifications were distributed to 28 prospective bidders. Seven (7) sealed bid proposals were received and opened in a public bid opening on February 12, 2009, with the Total Net Bid amounts ranging from \$1,188,600.00 to \$1,782,556.00. Staff has determined Durham Construction Co., Inc. to be the lowest responsive and responsible bidder with a bid amount of \$1,188,600.00; therefore the Public Works Department is requesting the approval of the construction contract with Durham Construction Co., Inc. to construct the Phase I renovations at Fire Stations No. 3 and 4.

Per CEQA Guidelines this project has been found to be a Categorical Exemption – Class 1 with no applicable exceptions.

FISCAL IMPACT

See attached.

Attachments:

- Evaluation of Bid Proposals
- Fiscal Impact Statement

EVALUATION OF BID PROPOSALS

FOR: PHASE I RENOVATIONS FOR FIRE STATIONS NO. 3 & 4

Bid File No. 2859
Bid Opening: February 12, 2009

BIDDER'S	TOTAL NET BID AMOUNT
1. Durham Construction Co., Inc. 1025 Holland Avenue Clovis CA 93612	\$1,188,600.00
2. DL Construction 5460 W Ramona Ave Fresno CA 93722	\$1,223,801.00
3. Mark Wilson Construction, Inc. 5799 E Clinton Ave Fresno CA 93727	\$1,270,302.00
4. Lewis C. Nelson and Sons, Inc. 3400 McCall Avenue, Suite 100 Selma CA 93662	\$1,383,000.00
5. Meadows Construction Services, Inc. 1691 Jenks Drive Corona CA 92880	\$1,566,995.00
6. Davis Moreno Construction, Inc. 4720 N Blythe Ave Fresno CA 93722	\$1,706,907.00
7. Bobo Construction, Inc. 9728 Kent St Elk Grove CA 95624	\$1,782,556.00

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, March 11, 2009, 5:00 P.M.

The Engineer's Estimate for this expenditure is \$1,725,000.00. The contract price is 31% below the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

EVALUATION OF BID PROPOSALS

FOR: PHASE I RENOVATIONS FOR FIRE STATIONS NO. 3 & 4

Bid File No. 2859
Bid Opening: February 12, 2009

**BACKGROUND OF PROJECT (To be completed by Evaluating Department/
Division. Explain need for project/equipment):**

On March 30, 2004 Council approved issuance of lease revenue Bonds to fund various capital projects in the total amount of \$58.4 Million. The funding for the Fire Departments Phase I Facilities Improvements was included in the lease revenue Bond, for a Fire Department total of \$4.8 million. Fire Station No. 3 was originally constructed in 1938 and is listed on the Local Register of Historic Resources and Fire Station No. 4 was constructed in 1948. Both of these stations require repairs and renovations to enable all firefighters to perform their responsibilities efficiently and safely. This construction contract will allow Fire Stations No. 3 and 4 to receive all the necessary repairs and improvements to bring these original stations up to current Fire Department standards.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$1,188,600.00 to Durham Construction Co., Inc. as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval

Egon Bannert

Title: Assistant Director, Dept. of Public Works

Date: _____

- | | |
|--|--|
| <input checked="" type="checkbox"/> Approve Dept. Recommendation | <input type="checkbox"/> Approve GSD/Purchasing Recommendation |
| <input type="checkbox"/> Disapprove | <input type="checkbox"/> Disapprove |
| <input type="checkbox"/> See Attachment | |

GENERAL SERVICES DEPARTMENT

CITY MANAGER

Jason B. MacDonald 3/10/2009
Purchasing Manager Date

[Signature] 3/11/09
City Manager or Designee Date

[Signature] 3/10/09
Director Date

FISCAL IMPACT STATEMENT

PROGRAM: Project ID #XC00029 - FS03

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$499,300.00</u>	<u> </u>
Indirect Cost *	<u>\$ 58,940.00</u>	<u>\$120,000.00</u>
TOTAL COST	<u>\$558,240.00</u>	<u>\$120,000.00</u>
Additional Revenue or Savings Generated	<u>\$ 0.00</u>	<u>\$ 0.00</u>
Net City Cost	<u>\$558,240.00</u>	<u>\$120,000.00</u>
Amount Budgeted (If none budgeted, identify source)	<u>\$558,240.00</u>	<u>\$120,000.00</u>

* Indirect costs are comprised of the following:

Design Contract Admin.	\$ 18,000.00
Contract Administration	\$ 80,000.00
Construction Engineering Support	\$ 20,440.00
Contract Contingencies	\$ 59,000.00
Project Closeout	<u>\$ 1,500.00</u>
TOTAL	\$178,940.00

Project is totally funded by Lease Revenue Bonds approved by Council on March 30, 2004.

FISCAL IMPACT STATEMENT

PROGRAM: Project ID #XC00029 - FS04

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$689,300.00</u>	<u> </u>
Indirect Cost *	<u>\$ 50,500.00</u>	<u>\$150,000.00</u>
TOTAL COST	<u>\$739,800.00</u>	<u>\$150,000.00</u>
Additional Revenue or Savings Generated	<u>\$ 0.00</u>	<u>\$ 0.00</u>
 Net City Cost	 <u>\$739,800.00</u>	 <u>\$150,000.00</u>
 Amount Budgeted (If none budgeted, identify source)	 <u>\$739,800.00</u>	 <u>\$150,000.00</u>

* Indirect costs are comprised of the following:

Design Contract Admin.	\$ 19,000.00
Contract Administration	\$ 80,800.00
Construction Engineering Support	\$ 35,000.00
Contract Contingencies	\$ 65,000.00
Project Closeout	<u>\$ 1,500.00</u>
TOTAL	\$200,500.00

Project is totally funded by Lease Revenue Bonds approved by Council on March 30, 2004.