

MEMORANDUM

October 14, 2016

TO: City Commission

THRU: Dennis Beach, City Manager
Greg Harrison, Assistant City Manager
Brian Donovan, Deputy City Manager
John Jurgle, Fire Chief
Michael Hohl, Assistant Fire Chief
Suzette Sibble, Finance Director
John Sfiropoulos, City Engineer

FROM: Horacio Danovich, CIP Manager

RE: Fire Station 24

Issue

Staff is seeking City Commission approval of a Resolution to execute a contract (see Exhibits "2718-08, 2718-08-A, 2718-08-B, and 2718-08-C") with West Construction, Inc. ("West") to design and build Fire Station No. 24 located at 2001 NE 10th Street Pompano Beach, FL 33060 (See Location Map and Exhibits "A-D") in the sum of \$5,191,010.03 (\$4,996,010.03 plus \$195,000.00 in owner controlled contingency, see Exhibits "E-F")

Recommendation

Staff recommends Approval of the Resolution.

Background

On March 10, 2016, the City advertised RFP E-12-16 seeking Design/Build services to replace old Fire Station No. 24 with a new, modernized facility. In response to this RFP, the City received only two (2) proposals, insufficient to proceed with a review or recommendations. As a result, on April 18, 2016 the City re-advertised the same solicitation as RFP E-38-16 (see attached Exhibit "G"). The solicitation included a Design Criteria package firms used to compile their proposals. The City received three (3) responses to this

solicitation. The respondents included Gulf Building LLC. (Gulf), Kaufman Lynn (KL), and West.

A review committee was assembled to review the proposals. The committee consisted of the following voting members: Michael Hohl, Assistant Fire Chief (City Staff); John Sfiropoulos, City Engineer (City Staff); Brad Wolak, Engineering Project Manager III (City Staff); Nguyen Tran, NW CRA Director (CRA Staff); Jack Rogerson, East CRA Committee Board Member (Independent); Non-voting members: Horacio Danovich, CIP Manager (City Staff); and, Jeffrey English, Purchasing Agent (City Staff). Upon completing their review, the committee ranked the proposers and recommended West as the no. 1 ranked firm.

On June 14, 2016, the City Commission approved the rankings of RFP E-38-16 authorizing Staff to negotiate a contract with the no. 1 ranked firm (West). Since, Staff has met with West representatives and negotiated the terms of a contract.

During the review process, one of the considerations was pricing. West submitted an initial proposal of \$4,595,370.03 as a base bid plus \$395,000.00 for Alternates 1 and 2. Combined, the West proposal added up to **\$4,990,370.03**. Similarly, Gulf's costs were **\$5,334,149** (see Exhibit "H"). KL costs were **\$5,964,045.00** (see Exhibit "I"). However, Gulf and KL's proposals **did not include** any of the additional design elements requested by Fire Staff, and considered essential for the efficient operation of the new fire station. For example, additional design elements include, an additional apparatus bay, a Battalion Chief Office, a Pharmacy, and a new Zetron communications system etc.

Staff has been advised Broward County plans to replace their existing alerting system. The new Zetron communications system will replace the old system, but neither West nor Staff have the necessary details or latest specifications. Said specifications will not affect the overall design nor delay the project. Therefore, the contract simply includes a reasonable allowance to offset future costs. Moreover, recent experience constructing Fire Stations 11 and 103 alerted Staff of design elements that must be considered up front rather than later. A cellular signal booster is a primary example of a product that will assist Fire Staff to ensure a strong cell signal throughout the station. And, IT recommended the installation of an 800 MHZ bi-directional antenna.

Staff asked the City Attorney for help preparing the final contract. The contract stipulates the design/build team's responsibilities and sets the ground rules until project completion.

To fund this project, Staff proposes to use available balances in:

- 1) Project No. 16285 (FS 24 2016) - \$955,000.00
- 2) Project No. 14238 (FS Refurbishments) - \$1,639,000.00
- 3) Incoming fresh funds per FY' 17 budget - \$1,000,000.00

Combined, the total available funds are \$3,594,000.00. The remaining \$1,597,010.03 will be

funded from fund balance, general funds (current balance in general funds undesignated funds is estimated at \$7,475,135.00). These funds will be repaid to the General Fund in future year(s) as fire assessment fees are realized.

Staff had an opportunity to compare the proposed costs to build Fire Station 24 with recent construction of Fire Station 11 (total costs \$4.22 million including architectural services and construction administration) and Fire Station 103 (total costs \$3.95 million including architectural design and construction administration services as well). Compared to the initial bid submitted by West (\$4.59 million), and taking into consideration escalation costs for the last 5 years (say 10-15%), the proposal is within acceptable market prices (8% higher than Fire Station 11 and 14% higher than Fire Station 103).

The bids to construct Fire Stations 11 and 103 were published several years ago (initial design services for FS 11 were advertised in 2008, and FS 103 in 2010) and under different circumstances. Staff has observed market conditions to have fluctuated and unit costs to have generally increased. Therefore, it would be inequitable to compare these costs without assuming reasonable escalation costs.

The additional costs and contingency funds allocation adding up to \$5,191,010.03 (\$4,996,010.03 plus \$195,000.00 in owner controlled contingency) are necessary to offset costs of add-ons. As indicated above, the new Fire Station 24 will have desirable add-ons such as a new Battalion Chief Office, a Pharmacy, three officer bunks, phone signal boosters, among other upgrades. These upgrades alone account for over \$200k in improvements not included in previous projects. In addition, Fire Station 24 is being designed to accommodate future expansion such a fourth Apparatus Bay and has allowances to install a more modern alarm systems' technology.

Rebuilding this Fire Station No. 24 is considered a necessity. This station services the Airpark and vicinity and provides support to the rest of the City. Staff recommends approval of the Resolution and authorization to issue a Purchase Order and proceed with the project.