



AGENDA ITEM: 16
MEETING DATE: 12/17/2013
TO: City Council
FROM: Devin Davis, Public Works – Facilities Management
PRESENTER: Devin Davis

TITLE:

A Motion to Award a Construction Contract to Golden Triangle Construction to Build the New Fire Station 2 in an Amount Not to Exceed \$1, 500,000 Which Shall Include Construction Up To and Including the Fire Station's Foundation, and, on the Condition of a Supplemental Appropriation in 2014 of \$340,293 for the Construction of Fire Station 2, to Increase the Contract to a Total Amount Not to Exceed \$3,222,331 to Complete the Full Scope of the Contract Including the Optional Fourth Bay, and to Authorize the City Manager to Execute a Contract on Behalf of the City Reflecting Those Terms and Conditions.

RECOMMENDED CITY COUNCIL ACTION:

Approve the motion.

OPTIONS:

1. Adopt the action as recommended
 2. Deny the action
 3. Adopt a modified action (specify in the motion)
 4. Refer back to staff for further development and consideration
 5. Adopt a motion continuing the item to a future Council meeting
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SUMMARY:

This is an administrative action approving a contract with Golden Triangle Construction to build the new Fire Station 2, to be located at 3070 W. 29th Street, Loveland.

BUDGET IMPACT:

- Positive
 Negative
 Neutral or negligible

The construction budget for this project is included in 2013 and 2014. The projected shortfall amount is \$340,293. A supplemental appropriation will be required in 2014 for this amount, which will come from additional revenues and from additional repayment of Fire CEFs from the General Fund.

BACKGROUND:

At the City Council meeting on May 07, 2013, Council gave its full support to move forward with the project to build the New Fire Station 2.

Belford –Watkins Group completed the construction drawings and documents in October 2013, which included the add/alternate fourth bay. Following a pre-qualification process for general contractors, the City selected six contractors to bid the project.

The City received five competitive bids from general contractors on November 14, 2013. Golden Triangle Construction (GTC) was the lowest responsive bidder. Golden Triangle’s packaged bid was 5% higher than the estimate construction costs of \$3,053,202.

City staff recommends that Golden Triangle Construction is awarded the construction contract with the alternate fourth bay in the amount of \$3,222,331. Please note that this figure does not include project contingency. Please see the table below to compare Golden Triangle with the other contractors involved.

Heath construction	\$3,413,000
Mark Young construction	\$3,403,714
Dohn construction	\$3,273,700
Drahota construction	\$3,437,500
Golden Triangle construction	\$3,222,331

The project team identified three reasons for the increase cost:

- Market impact for construction (costs increased between \$72,000- \$112,000);
- Costs for asphalt and concrete have gone up due to the 2013 Flood;
- Crawl space was added to counteract the challenging soils conditions of the site.

Based on the current needs of LFRA and planning for expansion, the fourth bay was also included in this contract; total cost to add this bay are \$178,631. The fourth bay will be needed in the future and if built in five years, the costs estimates will likely be over \$300,000.

Although the total cost of this project is more than LFRA currently has budgeted, there are ready solutions to the shortfall. A supplemental appropriation will be presented to Council for consideration in 2014 from the following sources:

- Additional Fire CEF revenues: revenues into the fund have been better than expected by \$124,043.
- A donation received from an estate: \$40,000
- Additional repayment of the 402 Farm loan from the General Fund: \$118,250.

This funding will complete the package needed by paying down the loan for the 402 Farm which came from the Fire CEF Fund. The current remaining balance on the loan from Fire CEFs is \$394,421.

Once approved, project construction is expected to start the second week of January. City staff expects about nine months of construction with a completion date in the latter part of 2014.

REVIEWED BY CITY MANAGER:

William A. Cahill

LIST OF ATTACHMENTS:

1. Power Point Presentation Slides
2. New Station 2 Budget Figuring
3. Fire Station 2 Rendering (3 Total)
4. Fire Station 2 Site Map