



Folsom City Council Staff Report

MEETING DATE:	6/23/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10477 – A Resolution Rejecting the Low Bid as Non-Responsive and Authorizing the City Manager to Execute a Construction Agreement with the Second Low Bid, P N P Construction, Inc., for the Fire Station 38 Remodel Project And Appropriation of Funds
FROM:	Fire Department

RECOMMENDATION / CITY COUNCIL ACTION

The Fire Department recommends that the City Council pass and adopt Resolution No. 10477 – A Resolution Rejecting the Low Bid as Non-Responsive and Authorizing the City Manager to Execute a Construction Agreement with the Second Low Bid, P N P Construction, Inc., for the Fire Station 38 Remodel Project and Appropriation of Funds.

BACKGROUND / ISSUE

As part of the City of Folsom Fire Department facilities maintenance program, the Fire Department FY 2019-20 budget included funding for architectural services to develop a remodel concept design for Fire Station 38, located at Blue Ravine Road and Oak Avenue Parkway. The remodel design is necessary to meet response needs and Americans with Disabilities Act (ADA) requirements. The facility was originally constructed as a short-term facility in 1985 with probable relocation. A Standards of Response Cover Study indicates that this station is in the best general location to provide fire and emergency medical services. The Fire Department has carefully examined the service delivery needs of Folsom and determined that the current location remains optimal for a Fire Station. Since the City owns the land it would be more cost effective to remodel and add to the existing structure to suit operational needs, rather than to rebuild it.

Strategically located fire facilities are paramount to the delivery of emergency fire and medical services. A remodeled facility will ensure delivery of these services from its current location for decades to come.

Station 38 construction plans were submitted to the City of Folsom Building Department in September of 2019 and have since been approved. Formal bid requests were advertised for a construction contractor with a closing date of April 30, 2020, when a public bid reading was completed. PNP Construction, Inc. submitted the lowest responsive responsible bid for the Folsom Fire Station 38 remodel project.

Construction work for the project is anticipated to commence in August 2020 with a projected remodel completion date of March 2021.

POLICY / RULE

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services and construction with an estimated value of \$62,014 or greater shall be awarded by City Council.

ANALYSIS

Fire Department staff prepared the bid package, and the project was publicly advertised on CIPList.com from March 20, 2020 through April 30, 2020. On April 30, 2020, the Fire Department received the following bids:

1. JPB Designs, Inc.	\$ 2,237,000
2. P N P Construction, Inc.	\$ 2,544,000
3. DG Granade, Inc.	\$ 2,580,000
4. Kaler/Dobler Construction, Inc.	\$ 2,620,000
5. S.W. Allen Construction, Inc.	\$ 2,733,177
6. CNW Construction, Inc.	\$ 2,738,000
7. Z Squared Construction	\$ 2,884,000
8. American River Construction, Inc.	\$ 2,900,000
9. Simile Construction	\$ 3,397,000

The Fire Department completed an analysis of the bids and recommends that the contract be awarded to the second low-bid P N P Construction, Inc. After evaluating the formal bids, staff determined that the apparent low bid submission from JPB Designs, Inc. was non-responsive due to missing documentation and missing signatures to attest to and agree to be bound by the bid documents. Staff will use the City's standard agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

The Fiscal Year 2020-21 Capital Improvement Plan includes the Fire Station #38 Remodel Project with a project budget of \$1,861,920 and in order to approve the contract with P N P Construction an additional appropriation will be required. Staff is requesting an additional appropriation in the amount of \$1,170,800. The project costs and sources of funding are outlined below.

<u>Costs</u>	
Architectural Design	\$ 304,020
Survey & Title	\$ 5,400
Project Management	\$ 52,100
Construction	\$2,544,000
Contingency 5%	<u>\$ 127,200</u>
Total Costs	\$3,032,720
<u>Funding</u>	
General Fund	\$ 600,000
Fire Capital (Fund 441)	<u>\$1,261,920</u>
Current Funding Approved	\$1,861,920
Requested Additional Funding	
Fire Capital (Fund 441)	\$ 745,998
Capital Replacement (Fund 602)	\$ 374,802
Fire Department FY 21 Vehicle Replacement	<u>\$ 50,000</u>
Total Requested Additional Appropriation	\$1,170,800

The \$50,000 listed above as FY 21 Vehicle Replacement is currently appropriated to the Fire Department but will be re-programmed to the Station #38 project. The funds from the Capital Replacement Fund (Fund 602) will be a transfer from Fund 602 to the General Fund (Fund 010).

The additional appropriation of \$1,170,800 will increase the project budget from \$1,861,920 to \$3,032,720 and will include a contingency of 5%. Any construction change orders will be reviewed and negotiated by the Construction Management Team and the Fire Chief and will be approved per the Folsom Municipal Code. The contract with PNP Construction, Inc. would be approved in the amount of \$2,544,000.

ENVIRONMENTAL REVIEW

This project is Categoricaly Exempt from the California Environmental Quality Act under Sections 15301 (Existing Facilities), 15302 (Replacement or Reconstruction), and 15303 (New Construction or Conversion of Small Structures) of the CEQA Guidelines.

ATTACHMENT

Resolution No. 10477 – A Resolution Rejecting the Low Bid as Non-Responsive and Authorizing the City Manager to Execute a Construction Agreement with the Second Low Bid, P N P Construction, Inc., for the Fire Station 38 Remodel Project and Appropriation of Funds

Submitted,

Felipe Rodríguez, Fire Chief

Attachment 1

Resolution No. 10477 – A Resolution Rejecting the Low Bid as Non-Responsive and Authorizing the City Manager to Execute a Construction Agreement with the Second Low Bid, PNP Construction, Inc., for the Fire Station 38 Remodel Project and Appropriation of Funds

RESOLUTION NO. 10477

A RESOLUTION REJECTING THE LOW BID AS NON-RESPONSIVE AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT WITH THE SECOND LOW BID, P N P CONSTRUCTION, INC. FOR THE FIRE STATION 38 REMODEL PROJECT AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom desires to remodel a fire station in an existing area of the City; and

WHEREAS, this project was publicly advertised, and the bids were received on April 30, 2020; and

WHEREAS, the low bidder, JPB Designs, Inc., was non-responsive due to missing documentation and missing signatures to attest to and agree to be bound by the bid documents; and

WHEREAS, the second low bidder, P N P Construction, Inc. presented the lowest responsive/responsible bid; and

WHEREAS, the contract with P N P Construction, Inc. will be in the amount of \$2,544,000; and

WHEREAS, the Fire Station #38 Remodel Project was included in the FY 21 Capital Improvement Plan with a project budget of \$1,861,920, an additional appropriation in the amount of \$1,170,800 will be required; and

WHEREAS, staff is requesting an additional appropriation in the amount of \$745,998 in the Fire Capital Fund (Fund 441), \$374,802 in the Capital Replacement Fund (Fund 602) and \$50,000 currently appropriated to the Fire Department in the General Fund (Fund 010) for vehicle replacement be re-programmed to the Station #38 remodel project; and

WHEREAS, there are sufficient funds available in the Fire Capital Fund, the Capital Replacement Fund and the Fire Department budget for this appropriation and re-programming; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom rejects the bid submitted by JPB Designs, Inc., as non-responsive.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute an agreement with PNP Construction, Inc. for the Fire Station 38 remodel project for a not-to-exceed amount of \$2,544,000.

BE IT FURTHER RESOLVED that the Finance Director is hereby authorized to appropriate a total of \$1,170,800 in FY 2021 to the Fire Station #38 Remodel Project to the funds and amounts below. The additional appropriation will increase the project budget to \$3,032,720;

1. Fire Capital Fund (Fund 441), \$745,998
2. Capital Replacement Fund (Fund 602), \$374,802 as a transfer to the General Fund (Fund 010)
3. Re-program in the Fire Department Budget \$50,000 from Vehicle Replacement

PASSED AND ADOPTED on this 23rd day of June 2020, by the following roll-call vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):
ABSTAIN: Council Members(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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