



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution to Approve Project Plans and Specifications, and Award Construction Contract to Ron Paris Construction Co., Inc. for the Temporary Fire Station No. 2 Tenant Improvements, Project No. 3447
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	12/3/2019
Staff Contact:	Steve Erickson, City Engineer, 408-586-3301
Recommendation:	Adopt a Resolution to approve project plans and specifications for the temporary Fire Station No. 2 tenant improvements Project No. 3447, to award a construction contract for the Base Bid and to authorize the Interim City Manager to execute the contract with the lowest responsible bidder submitting a responsive bid, Ron Paris Construction Co., Inc., in the amount of \$207,198; and, to authorize the Engineering Director/City Engineer to negotiate and execute contract change order(s) in an aggregate amount not to exceed \$50,000 for the Project.

Background:

The 2019-2024 Capital Improvement Program includes Project No. 3447 for the replacement of Fire Station No. 2 located at 1263 Yosemite Drive. The Fire Station project is in the design phase, and construction of new Fire Station No. 2 is anticipated to start summer 2020.

The new Fire Station No. 2 will be constructed on the same location as the current station. Relocation of Station No. 2 staff and equipment to a temporary facility is required prior to the demolition of the old station building and construction of the new building and site work. It is anticipated that temporary station facilities will be required for up to two years. The temporary station facility will be located at 1126 Yosemite Drive, and the City entered into a lease agreement with the property owner for use of the industrial building on August 13, 2019. Construction of minor tenant improvements will be required to convert the building into a fire station facility ("Tenant Improvement Project"). The Engineer's construction estimate for the Tenant Improvement Project is \$285,000, and the improvements to be constructed include:

- ADA compliant restroom and shower facilities
- Dorm room and kitchen facilities
- Electrical upgrades and emergency generation facilities

The City's design architect completed plans and specifications for the Tenant Improvement Project (**Attachment 2**). The Tenant Improvement Project plans and specifications were advertised in the Milpitas Post for bid proposals on October 18 and 25, 2019. Bid opening was held on November 14, 2019 and three contractors submitted bid proposals.

Analysis:

The Engineer's construction estimate for the Tenant Improvement Project is \$285,000. Bid opening was on November 14, 2019 and three bids were received ranging from \$207,198 to \$320,000. The lowest responsible bidder submitting a responsive bid is Ron Paris Construction Co., Inc. in the amount of \$207,198, which is lower than the Engineer's Estimate by \$77,802 (27%). No bid protests were filed with the City regarding this bid. The Summary of Bid Results is shown as follows and is included in the agenda as **Attachment 3**.

Bidder	Location	Base Bid
Engineers Estimate		\$ 285,000
Ron Paris Construction Co., Inc.	Santa Clara, CA	\$ 207,198
Alex Kushner General, Inc.	San Francisco, CA	\$ 215,000
Evra Construction Inc	San Francisco, CA	\$ 320,000

Staff recommends the City Council adopt a Resolution (**Attachment 1**) to approve the plans and specifications for the Tenant Improvement Project, and to award a construction contract to Ron Paris Construction Co., Inc. for the Base Bid contract amount of \$207,198 for construction of the Tenant Improvement Project. There is enough funding available within the Tenant Improvement Project budget to award this contract, and no additional funding appropriation is required.

As previously approved for the successful completion of complicated projects with tight completion schedules, staff is requesting the use of the same change order policy (**Attachment 4**). This policy allows for the timely completion of the Tenant Improvement Project, while addressing the need to respond swiftly to construction conditions and approve necessary change orders in order to limit potential claims or risks to the City. The construction contingency established for the Tenant Improvement Project is \$50,000, which is approximately 25% of the total contract value.

Policy Alternative:

Alternative: Not approve the plans and specifications and not adopt a resolution to award a construction contract for completion of the Tenant Improvement Project.

Pros: None

Cons: Not approving the Tenant Improvement Project will prevent the relocation of Station No. 2 crew and equipment from the old building and will delay completion of the new Fire Station No 2 facilities.

Reason not Recommended: The completion of temporary station facilities to allow for the relocation of Station No. 2 staff and equipment is required to move forward with the construction phase of the new Fire Station No. 2 building and site work. Staff recommends the completion of the temporary facilities to allow the Fire Station No. 2 project to proceed on schedule.

Fiscal Impact:

There is sufficient funding available in the budget for Project No. 3447 to award the construction contract to Ron Paris Construction Co., Inc. As of September 30, 2019, the available Project funding is as follows:

Available Project Budget	\$ 4,074,431.00
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Summary of Estimated Tenant Improvement Cost

Construction Contract	\$ 207,198
25% Construction Contingency	\$ 50,000
Administration and Inspection	\$ 80,000
Total Estimated Cost	\$ 337,198

California Environmental Quality Act: This Tenant Improvement Project is exempt under section 15301, Existing Facilities

Recommendation:

Adopt a Resolution to approve project plans and specifications for the Tenant Improvement Project, to award a construction contract for the Base Bid for the Tenant Improvement Project and to authorize the Interim City Manager to execute the contract with the lowest responsible bidder submitting a responsive bid, Ron Paris

Construction Co., Inc., in the amount of \$207,198; and, to authorize the Engineering Director/City Engineer to negotiate and execute contract change order(s) in an aggregate amount not to exceed \$50,000 for the Tenant Improvement Project.

Attachments:

- 1: Resolution
- 2: Constructions Plans & Specifications
- 3: Bid Results
- 4: Change Order Policy