



WORKSESSION MEMORANDUM

DEPARTMENT	PRESENTED BY	DATE
Administration	Christy Doon - Interim City Administrator	September 18, 2023

ITEM

Discussion of the Fire Station Construction Contract

BACKGROUND

In October 2020 Neenan Archistruction was awarded the service contract to complete the Salida Fire Facility and Needs Assessment. In December 2020, the City Council received the final assessment, which noted the following:

- Building systems are inefficient, contributing to increased operating and maintenance costs.
- Renovating the existing buildings will trigger costly renovations to meet code.
- Expensive to modify buildings at the end of the lifecycle.
- Facilities lasted four times a typical life cycle.
- Aging facilities could have significant problems creating the loss of function; do not wait for a severe issue that leaves the department without a functional facility.

The assessment recommended a facility that addresses best practices for serving the community, including the following:

- Providing cancer prevention/hot/transition/cold zones
- Proving space for additional fire apparatus.
- Improved energy efficiency.
- Functional living quarters.
- A single-story facility for firefighter safety during night calls.
- Improvement to ISO rating by providing additional training amenities, not able to be added to the current facility due to site restrictions.

In February 2022 the City published an RFP to identity and select a strategic design-build team to partner in the design and construction of the new fire station. In June, after interviews with three firms, the City awarded the design build contract to Neenan Archistruction.

Design Build is a contract structure and subcontractor procurement are consistent with other contract types. Neenan's approach to subcontractor procurement considers all project goals including budget, schedule, and quality. By considering the various elements of risk, informed decisions are made on all subcontractors and partners included in the design and construction process.

Early in the design process, major subcontractors were selected to ensure the design aligns with the budget requirements of the city. Trades selected early were Masonry, Structural Steel, Fire Protection, Plumbing, Mechanical, and Electrical. These trades were selected based on pre-qualification requirements including working history with Neenan, design / build capability, insurance, bonding financial stability, capacity, and ability to perform the work to high quality and safety standards. While the afore mentioned subcontractors are selected early, the Neenan team continuously monitors partner pricing compared to historic and current market data along with comparable projects currently in pricing and construction. Should the partner subcontractor not be within market pricing, Neenan reserves the right to replace them through a competitive process.



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All other trades are procured late in the design process. Bids are solicited from qualified subcontractors and suppliers at the time of permit drawings. A minimum of 3 qualified companies will be solicited to provide pricing for scopes of work including foundations, slabs, roofing, drywall, flooring, appliances, landscaping, foundation insulation, furniture, etc. Pricing provided by the subcontractors is analyzed and selections are based on the same criteria as major subcontractor partners: history with Neenan, design / build capability, insurance, bonding, financial stability, capacity, and ability to perform the work to high quality and safety standards.

In June 2022, a Collaborative Design Process Work session was held to align priorities of the City with building users, Neenan, design consultants and subcontractors on building design, scope, schedule, and budget. Representatives from City Council, the mayor, city treasurer, city department heads, South Arkansas Fire Protection District Board members, and firefighting staff were present.

Between June 2022 and September 2023, weekly design coordination meetings were held to discuss the varied aspects of the fire station design and operation. These meetings included Fire, City Administration, Public Works, Finance, and various members of Neenan working on the different operating systems of the facility. At the meetings, each system was discussed to determine functionality, installation and operational costs, maintenance issues, coordination with City goals (such as the geothermal testing) and funding opportunities the City could explore (such as grants, bonds, COPs).

In May 2023, at the City's direction, a geothermal test bore was drilled on site and a test loop was installed. The test loop failed and it was determined that a geo exchange system would be cost prohibitive due to unstable cobble on site. In June a meeting with City Council was held to discuss system options since the geo exchange system was not viable. City Council directed Neenan and staff to redesign a hybrid electric/natural gas system to keep operating costs reasonable. The system change order was brought to City Council for approval. In July, Salida was awarded \$1,000,000 to assist with the building of the new fire station from the Department of Local Affairs.

In August, the building permit was submitted; drawings were sent to sub-contractors for pricing and confirmation of scheduling.

Neenan and City Staff have established the final contract amount and have determined costs which will be borne by the City through the 2024 operational budget.