



**Agenda Item No: 4.h**

**Meeting Date: November 6, 2023**

## **SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Public Works**

**Prepared by: April Miller  
Director of Public Works**

**City Manager Approval:** \_\_\_\_\_

**TOPIC: ESSENTIAL FACILITIES CONSTRUCTION PROJECT – FIRE STATION 55 SITE IMPROVEMENTS**

**SUBJECT: AUTHORIZE THE CITY MANAGER TO APPROVE CONTRACT AMENDMENTS TO THE CONSTRUCTION AGREEMENT WITH MICHAEL PAUL COMPANY, INC. FOR MISCELLANEOUS UNFORESEEN CONDITIONS ASSOCIATED WITH THE FIRE STATION 55 SITE WORK PROJECT.**

### **RECOMMENDATION:**

Authorize the City Manager to approve contract amendments to the Construction Agreement with Michael Paul Company, Inc. for miscellaneous unforeseen work associated with the Fire Station 55 Site Improvements project, increasing the total amount of the agreement to \$205,304.75.

### **BACKGROUND:**

On November 5, 2013, the voters approved Measure E, extending the existing one-half percent local sales tax and increasing the rate by one-quarter percent to provide funding to preserve essential city services. The City has since used those resources to plan, design, construct, and manage two new stand-alone fire stations, 52 and 57, and a new Public Safety Center (PSC) that incorporates Fire Station 51. These three projects are collectively referred to as “Phase 1” of the City’s Essential Facilities Program. They have all been completed, occupied, and are operational. The Essential Facilities program also includes the design, and construction of Fire Stations 54 and 55, referred to as “Phase 2”.

Fire Stations 54 and 55 were built in the mid-1960s and were beyond their useful life when the Essential Facilities Program was approved.

Fire Station 55 is located at 955 Point San Pedro Road between Knight Drive and Peacock Drive. The Fire Station 55 reconstruction project scope of work includes seismic and ADA (Americans with Disabilities Act) upgrades through the demolition and replacement of the living quarters; select demolition and salvaging of the existing wood-frame apparatus bay structure; and site improvements such as parking lot repaving, restriping, new exterior lighting, new emergency generator, and a new fueling station.

The Department of Public Works solicited qualified vendors to bid on the project and received bids on September 30, 2021. Wickman Development and Construction (“WDC”) was the lowest

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

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responsive bidder. On October 18, 2021, the City Council approved a resolution [14988](#) authorizing the City Manager to authorize and execute a construction agreement with WDC for the construction of Fire Stations 54 and 55.

The City issued a notice to proceed with the construction of Station 55 on January 10, 2022.

Fire Station 55 serves the Peacock Gap and adjacent neighborhoods outside the City center. In order to maintain response time to the community, the City installed and commissioned a set of temporary buildings to house the fire crews on the property during construction. A modular building and several smaller structures were installed on the lawn, west of the construction site, on 955 Point San Pedro Road.

WDC's contract included the site improvements at Fire Station 55. The site work included demolition of the existing parking lot, regrading, repaving, and restriping of the lot, exterior light posts, and other miscellaneous work. However, the temporary buildings housing the fire crews during construction were located on the property. This portion of the site was part of the construction project and it was scheduled to receive new pavement, a sewer lateral upgrade, and other site improvements. The location of the temporary quarters was in conflict with the required site work.

Staff evaluated the potential for time and cost delays to the new building due to these unforeseen conflicts. Staff determined that the best path forward to minimize delays and to reoccupy the new station promptly was to remove the work related to site improvements from WDC, via a deductive change order, and rebid it as a separate project.

On February 23, 2022, The Department of Public Works solicited informal bids for the Fire Station 55 - Site Work Project. Staff contacted four qualified bidders: Argos Construction, Ghilotti Brothers, Ghilotti Construction, and Michael Paul Company, Inc. (MPC).

On March 3, 2022, the City received one bid from MPC. MPC was deemed the lowest, responsive bidder. The other companies declined mainly due to excess backlog and workload.

The City Manager issued a construction agreement for \$174,297 for the site improvements work at Fire Station 55, to MPC.

On May 10, 2023, The Department of Public Works issued a notice to proceed with construction. MPC started construction on May 15, 2023.

MPC discovered unforeseen conditions that required additional work while excavating the parking lot. MPC found an extra layer of asphalt pavement on large portions of the lot, a concrete footing buried under a layer of old asphalt pavement, and discrepancies between the existing grade and those shown on the project plans. Additionally, City staff requested new work to provide power to an exterior storage shed used to store safety equipment by the Fire crews.

MPC requested compensation for these changes in scope in the amount of \$31,007.75.

**ANALYSIS:**

The original contract was authorized in an amount of \$174,297 which is within the contracting authority of the Public Works Director (\$200,000). Due to unforeseen conditions and City requested added scope, the project team issued three change orders to MPC in the combined amount of \$31,007.75. These amendments to the contract increase the total contract to an amount of \$205,304.75. This increased contract amount exceeds the Public Works Director's authority, therefore requires approval by the City Council.

**FISCAL IMPACT:**

The costs associated with the project have been appropriated from the Essential Facilities Capital Projects Fund (#420). This fund has been accumulating a portion of Measure E tax dollars for the purpose of these projects and has a sufficient balance set aside to support the total project cost.

**OPTIONS:**

1. Authorize the City Manager to approve the contract amendments.
2. Do not authorize the City Manager to approve the contract amendments and provide further direction to staff.

**RECOMMENDED ACTION:**

1. Authorize the City Manager to approve contract amendments to the construction agreement with Michael Paul Company, Inc. for miscellaneous unforeseen work associated with the Fire Station 55 Site Improvements project, increasing the total amount of the agreement to \$205,304.75.

**ATTACHMENTS:**

N/A