



DATE: November 14, 2023

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt Resolutions Authorizing the City Manager to Amend the Professional Services Agreements with (1) Kitchell CEM for Extended Construction Support Services by \$98,000 for a Not-to-Exceed Amount of \$2,631,000, (2) with RossDrulisCusenbery Architecture, Inc., by \$107,000 for a Not-to Exceed Amount of \$3,361,000; and (3) Transfer and Appropriate Additional Funds in an Amount of \$2,030,000 for the Current Project Cost the Fire Station 6 and Fire Training Center Project, Project Nos. 07481 and 07482

RECOMMENDATION

That Council adopts the attached resolutions (Attachments II, III, IV) authorizing the City Manager to:

1. Amend the Professional Services Agreement (PSA) with Kitchell CEM (Kitchell) for extended construction management services for the Fire Station 6 and Fire Training Center (FS6/FTC) project by \$98,000 for a not-to-exceed (NTE) amount of \$2,631,000; and
2. Amend the PSA with RossDrulisCusenbery Architecture, Inc., (RDC) for extended construction support services for the FS6/FTC project by \$107,000 for a NTE Amount of \$3,361,000; and
3. Appropriate additional funds for the FS6/FTC project in the amount of \$2,030,000 for the current project cost.

SUMMARY

The Fire Station 6 and Fire Training Center (FS6/FTC) project commenced construction on August 17, 2020, and was anticipated to be completed in the Fall of 2022. While fire department personnel have moved into the new fire station and Las Positas Chabot College District students are using the facility, there are remaining outstanding construction items that need to be completed in order to close out the project. It is anticipated that these items will be completed by the end of January 2024.

Throughout the course of construction, construction management services provided by Kitchell and construction support services provided by RDC have been necessary to ensure that construction complies with project plans, specifications, and codes and regulations. Council adopted resolutions authorizing the City Manager to execute agreements with Kitchell

for construction management and with RDC for construction support prior to the commencement of construction. Due to the extended construction duration, the current budget allocated for services by these firms will not be sufficient to close out the project. Staff is requesting amendments in the amounts of \$98,000 with Kitchell and \$107,000 with RDC which are necessary to complete the project.

The total construction cost includes the contract bid amount plus a contingency cost for unanticipated changes. With the number of approved change orders and the number of projected outstanding change orders, the budgeted administrative change order (ACO) amount will be exceeded. In addition to ACO and construction support by Kitchell and RDC, temporary housing, fixture, furniture & equipment (FF&E) and staff construction administration costs have also increased. Additional funding in the amount of \$2,030,000 will be needed to pay for these items. Staff is requesting appropriation of additional funds in the amount of \$2,030,000 from the Measure C (Fund 406).

BACKGROUND

In 2014, voters in the City approved Measure C which authorized the City to increase the sales tax rate by one-half cent for, among other things, the restoration and maintenance of City services and facilities, including firefighting/emergency medical services. This project includes partnership with the Chabot-Las Positas Community College District (District) in the shared use of the FTC.

Below is a list of major milestones for the FS6 and FTC project:

- June 3, 2014: Voters approved Measure C, which authorized the City to increase the sales tax rate by one-half cent for twenty years to restore and maintain City services and facilities, including firefighting/emergency medical services.
- October 10, 2014: The City's consultant, RDC, completed a facility needs assessment for Fire Stations 1-6 and the FTC, which determined that all facilities needed substantial upgrades.
- May 26, 2015¹: Council authorized the City Manager to negotiate and execute an agreement with RDC for design services for Fire Stations 1-6 and the FTC Improvement project.
- October 18, 2016²: Staff provided Council with an update on the project.
- October 24, 2017: The District's Board of Trustees passed a motion directing the Chancellor to create a Memorandum of Understanding (MOU) with the City of Hayward.
- October 25, 2017³: Staff provided a project update to the Council Infrastructure Committee.
- June 28, 2018: Staff submitted a request to the Federal Aviation Administration (FAA) for

¹ <https://hayward.legistar.com/MeetingDetail.aspx?ID=454184&GUID=7CD463F3-CFEB-4ADB-B836-FC19D7730F0&Options=info|&Search=>

² <https://hayward.legistar.com/LegislationDetail.aspx?ID=2860809&GUID=635FE8B7-ACCB-45F8-9DF6-DF54CBC6CD12&Options=&Search=>

³ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3194489&GUID=5531F83A-213A-4734-9405-ACB043B6A60D&Options=&Search=>

the release of the land at the Hayward Executive Airport on which FS6 and the FTC would be constructed for non-aeronautical purposes.

- July 24, 2018⁴: Council authorized the City Manager to negotiate and execute an MOU with the District to establish the basis for a ground lease and to accept up to \$20 million from the District for the design, construction, and furnishing of the District's Facilities at the FTC.
- September 24, 2018: The design team submitted the project plans to the Division of State Architect for their review of District owned buildings.
- October 25, 2018⁵: The Planning Commission adopted the Mitigated Negative Declaration and approved the Site Plan Review.
- March 5, 2019⁶: Council approved the plans for the abatement and deconstruction of the existing FS6 and FTC and call for bids.
- March 6, 2019: Staff provided a design update to the Council Infrastructure Committee.
- September 2019: Completed demolition of the old Fire Station 6 and the Fire Training Center.
- October 1, 2019⁷: Council authorized the City Manager to Negotiate and Execute a Ground Lease and Facilities Use Agreement with the District for the FTC.
 - November 19, 2019: Council adopted a resolution approving the plans and specifications for the construction of FS6 and the FTC and calls for bids after approval from FAA and DSA.
 - July 7, 2020: Council awarded the construction contract to S. J. Amoroso Construction.
 - August 17, 2020: Construction commenced.
- May 25, 2021⁸: Council adopted a resolution authorizing the City Manager to execute an amendment to the PSA for materials testing and special inspection services with Consolidated Engineering Laboratories (CEL) in the amount of \$325,000.
- September 28, 2021⁹: Council adopted a resolution authorizing the City Manager to execute an amendment to the PSA for construction support services with RDC in the amount of \$830,000.
- January 18, 2022¹⁰: Council adopted a resolution authorizing the City Manager to execute the second amendment to the PSA for materials testing and special inspection services with

⁴ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3582269&GUID=1C949039-8749-4463-B1C2-B2B8CE709EDF&Options=&Search=>

⁵ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3708173&GUID=5D5FBBF9-7F11-4A8D-86B1-BFFC24E4EF48&Options=&Search=>

⁶ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3874592&GUID=ADD09360-6319-4C1F-9C84-FF60B8CE554D&Options=&Search=>

⁷ <https://hayward.legistar.com/LegislationDetail.aspx?ID=4148714&GUID=329BEA63-4E98-41D4-861F-5D39454D5C54&Options=&Search=>

⁸ <https://hayward.legistar.com/LegislationDetail.aspx?ID=4960818&GUID=222CFF1F-7950-44E2-91FC-360B494F3E3F&Options=&Search=>

⁹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5149122&GUID=0B64C69C-054A-4C54-A58D-656A73A01820&Options=&Search=>

¹⁰ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5382577&GUID=A35183AB-DAFF-402B-9377-1A30697790C7&Options=&Search=>

CEL in the amount of \$450,000.

- April 19, 2022¹¹: Council adopted a resolution authorizing the City Manager to execute an amendment to the agreement with Mobile Modular for an additional 9-month rental of modular structures for the temporary FS6 in the amount of \$53,500.
- April 19, 2022¹²: Council adopted a resolution authorizing the City Manager to execute an agreement with Day Wireless Systems for conversion of station alerting system for all Fire Stations, to make all systems compatible with the one at the New FS6/FTC, in an amount of \$300,000.
- June 28, 2022¹³: Council adopted resolutions authorizing the City Manager to execute amendments to the PSA for Kitchell for extended construction support services for the Project by \$400,000 for a NTE amount of \$2,200,000 and for extended Inspector of Record services with ABC Inspections, Inc., by \$115,000 for a NTE amount of \$865,000.
- June 28, 2022¹⁴: Council adopted a resolution authorizing the City Manager to execute an agreement with Solcom for installation of City fiber optic conduits on West Winton Avenue for the Fire Station 6 and Fire Training Center Project in a not-to-exceed amount of \$102,147.
- January 17, 2023¹⁵: Council adopted resolutions authorizing the City Manager to amend the PSAs with Kitchell by \$333,000 for a NTE amount of \$2,533,000, with RDC by \$292,000 for a NTE amount of \$3,254,000, and with ABC Inspections, Inc., the Inspector of Record Services by \$80,000 for a NTE amount of \$945,000 for extended construction support services; to amend the agreement with Mobile Modular for an additional rental of modular structures by \$55,000 for a NTE amount of \$283,500 for the Temporary Fire Station 6; and transfer and appropriate additional funds in an amount NTE \$5,596,800.

DISCUSSION

The FS6/FTC project commenced construction on August 17, 2020, and was anticipated to be completed in Fall of 2022. Chabot College faculty and students started classes in the main building in August 2023 and FS6 personnel moved into the new fire station in October 2023. However, there are remaining outstanding construction items that need to be completed in order to close out the project. Some of these items include a fully functional HVAC system, access control system, solar photovoltaic system and battery backup system; replacement of roll-up doors; completion of punch list and providing closeout documentation. It is anticipated that these items will be completed by the end of January 2024.

Throughout the course of construction, construction management services provided by Kitchell and construction support provided by RDC were utilized to ensure that construction complies with project plans, specifications, and codes and regulations. On January 21, 2020, Council

¹¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5558440&GUID=F0A2AB41-1A99-48CD-B62C-832D5F63C8B7&Options=&Search=>

¹² <https://hayward.legistar.com/LegislationDetail.aspx?ID=5558442&GUID=804C7031-9F88-4554-8404-F7524A120D65&Options=&Search=>

¹³ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5709686&GUID=0489FE49-6A5C-465E-BC50-55B83F635F14&Options=&Search=>

¹⁴ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5709690&GUID=63E75A2E-A87A-4EF3-8293-B86A44C0E307&Options=&Search=>

¹⁵ <https://hayward.legistar.com/LegislationDetail.aspx?ID=5996147&GUID=58ECE899-E74E-4C23-A3FB-FA37D3E38C3E&Options=&Search=>

adopted a resolution authorizing the City Manager to execute an amendment to the PSA with Kitchell for construction support services in the amount of \$1,800,000. In June 2022, the updated construction completion date was extended to January 2023 which required extension of services by Kitchell. On June 28, 2022, Council adopted resolutions authorizing the City Manager to execute an amendment to the PSA for Kitchell for extended construction support services by \$400,000 for a NTE amount of \$2,200,000. On January 17, 2023, Council adopted resolutions authorizing the City Manager to execute amendments to the PSA for Kitchell for extended construction support services by \$333,000 for a NTE amount of \$2,533,000. Similarly, on January 21, 2020, Council adopted a resolution authorizing the City Manager to execute an amendment to the PSA with RDC for construction support services in the amount of \$2,132,000. On September 28, 2021, due to additional scope, Council adopted resolutions authorizing the City Manager to execute an amendment to the PSA for RDC for extended construction support services by \$830,000 for a NTE amount of \$2,962,000. On January 17, 2023, Council adopted resolutions authorizing the City Manager to execute an amendment to the PSA for RDC for extended construction support services by \$292,000 for a NTE amount of \$3,254,000.

Due to the extended construction duration and after the remaining construction items are completed, there will be remaining construction management and design team services needed to close out the project. Amendments in the amounts of \$98,000 with Kitchell, and \$107,000 with RDC are necessary to complete the project.

The total construction cost includes the contingency cost for unanticipated changes resulting in construction change orders initiated by the contractor and the City. With the number of approved change orders and the number of projected outstanding change orders, the budgeted administrative change order (ACO) amount will be exceeded. In addition to construction items and construction support by Kitchell and RDC, other project costs specifically temporary housing, FF&E, and staff construction administration have increased. Additional funding in the amount of \$2,030,000 will be needed. Staff is requesting appropriation of additional funds in the amount of \$2,030,000 from the Measure C Funds (Fund 406).

Staff will return to Council to request additional funds once final costs are realized. One potential cost is to compensate the contractor for extended general conditions due to the added duration caused by the City. Additionally, there are subcontractors with delay claims which staff is evaluating.

ECONOMIC IMPACT

Completion of this project will add classrooms and spaces for training and use by others which may result in positive economic benefits for businesses around the area. Additionally, the local economy and local workforce has been positively impacted during construction of the facilities.

FISCAL IMPACT

Staff recommends funding the increase to pay for the ACOs, construction management administration (amendment amounts with Kitchell CEM and RDC), temporary housing, FF&E and staff construction administration through the FS6/FTC project.

The estimated project cost at the time of award of the construction contract are as follows:

Construction Contract	\$52,397,000
Construction Contingency (ACO)	\$5,239,700
Consultant Design	\$5,000,000
Construction Management Administration	\$4,000,000
Inspector of Record Service & Special Testing	\$1,500,000
Demolition of old Fire Station and FTC	\$425,000
Temporary Housing	\$500,000
Permit & Utility Fees	\$940,000
Fixture, Furniture & Equipment	\$600,000
<u>Staff Construction Administration</u>	<u>\$300,000</u>
Total	\$70,901,700

The following details the project estimates from January 2023 for the additional funding of \$5,596,800:

Construction Contract	\$52,397,000
Construction Contingency (ACO)	\$5,239,700
Consultant Design	\$4,692,270
Construction Management Administration	\$5,787,000
Inspector of Record Service & Special Testing	\$2,070,000
Demolition of old Fire Station and FTC	\$378,494
Temporary Housing	\$610,000
Permit & Utility Fees	\$400,000
Fixture, Furniture & Equipment	\$4,300,000
<u>Staff Construction Administration</u>	<u>\$624,000</u>
Total	\$76,498,464

The following details the current project estimates:

Construction Contract	\$52,397,000
Construction Contingency (ACO)	\$6,400,000
Consultant Design	\$4,692,270
Construction Management Administration	\$5,992,000
Inspector of Record Service & Special Testing	\$2,070,000
Demolition of old Fire Station and FTC	\$378,494
Temporary Housing	\$720,117
Permit & Utility Fees	\$400,000
Fixture, Furniture & Equipment	\$4,655,364
<u>Staff Construction Administration</u>	<u>\$823,219</u>
Total	\$78,528,464

Appropriation of Additional Funds

The Adopted FY24 CIP includes a total of \$76,498,464 for the FS6/FTC project. The current total estimated project cost of \$78,528,464 exceeds that amount.

Therefore, staff recommends that Council authorize the City Manager to transfer additional funds in the amount of \$2,030,000 from Measure C Operating (Fund 101) to Measure C Capital (Fund 406) and appropriate the same amount to the Project.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Invest in Infrastructure. Specifically, this item relates to the implementation of the following project:

Invest in City Facilities and Property
N10 Construct the Fire Station 6 and Fire Training Center

SUSTAINABILITY FEATURES

This project incorporates sustainability features as they relate to water, energy, and the environment. Additionally, the buildings have been designed to meet Leadership in Energy and Environmental Design (LEED) Silver, or better.

PUBLIC CONTACT

There is no public contact needed for this item.

NEXT STEPS

If Council adopts the resolutions to amend the agreements with Kitchell CEM and RDC, staff will route the amendments to be executed by the City Manager, allowing the firms to continue to provide construction support until the completion of the project. Staff will also transfer funds from Fund 101 to Fund 406 and appropriate them to the Project.

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Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works
Garrett Contreras, Fire Chief

Approved by:



Kelly McAdoo, City Manager