



**DATE:** June 20, 2023

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt Resolutions Authorizing the City Manager to (1) Execute an Agreement with MBS Engineering Inc., for Installation of Liquefied Petroleum Gas Pipes in a Not-to-Exceed Amount of \$224,321, (2) Amend the Professional Services Agreements with Kitchell CEM for Extended Construction Support Services by \$307,000 for a Not-to-Exceed amount of \$2,840,000; and (3) with ABC Inspections by \$85,000 for a Not-to-Exceed Amount of \$1,030,000, for the Fire Station 6 and Fire Training Center Project, Project Nos. 07481 and 07482

## **RECOMMENDATION**

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

1. Execute an agreement with MBS Engineering (MBS) for the installation of Liquefied Petroleum Gas (LPG) Pipes in a not-to-exceed (NTE) amount of \$224,321.
2. Amend the Professional Services Agreement (PSA) with Kitchell CEM (Kitchell) for extended construction management services by \$307,000 for a NTE amount of \$2,840,000; and
3. Amend the Inspector of Record Services with ABC Inspections, Inc., (ABC) for extended inspection services by \$85,000 for a NTE amount of \$1,030,000.

## **SUMMARY**

One of the features of the Fire Training Center includes a LPG system that provides one of the fuel sources to simulate fire in buildings and outdoor settings. The LPG system to the Training Tower is near completion and the LPG system to the outdoor training area requires modification due to a design error in the original plans. As a result, requests for proposals for corrections to the LPG system were solicited and one proposal was received from MBS for \$224,321. This agreement is for MBS to install the necessary LPG pipes, connection pits, and regulators in the amount of \$224,321. This cost will be assumed by the design consultant and will not impact the project's budget.

The Fire Station 6 (FS6) and Fire Training Center (FTC) project commenced construction on August 17, 2020 and was anticipated to be completed in Fall of 2022. The completion date is now estimated to be July 2023 due to the delays in delivery of the material and shortage of labor

resources. The project requires construction management and inspector of record services to ensure that construction complies with project plans, specifications, and codes. Council adopted resolutions authorizing the City Manager to execute agreements with Kitchell for construction management and with ABC for inspector of record services. Due to the extended construction duration, services by these firms will be exhausted by the end of June 2023. Staff is requesting amendments in the amounts of \$307,000 with Kitchell and \$85,000 with ABC which are necessary to complete the project.

## **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) for 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, 2015<sup>1</sup>: 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, 2016<sup>2</sup>: 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, 2017<sup>3</sup>: Staff provided a project update to the Council Infrastructure Committee.
- June 28, 2018: Staff submitted a request to the Federal Aviation Administration (FAA) for 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, 2018<sup>4</sup>: 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

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

<sup>2</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=2860809&GUID=635FEBB7-ACCB-45F8-9DF6-DF54CBC6CD12&Options=&Search=>

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

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

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, 2018<sup>5</sup>: The Planning Commission adopted the Mitigated Negative Declaration and approved the Site Plan Review.
- March 5, 2019<sup>6</sup>: 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, 2019<sup>7</sup>: 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, 2021<sup>8</sup>: 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, 2021<sup>9</sup>: 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, 2022<sup>10</sup>: Council adopted a resolution authorizing the City Manager to execute the second amendment to the PSA for materials testing and special inspection services with CEL in the amount of \$450,000.
- April 19, 2022: Council adopted a resolution authorizing the City Manager to execute an

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

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

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

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

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

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

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, 2022: 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, 2022: 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 by \$115,000 for a NTE amount of \$865,000.
- June 28, 2022: Council adopt 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, 2023: Council adopted resolutions authorizing the City Manager to amend the PSAs with Kitchell for extended construction support services by \$333,000 for a not-to-exceed amount of \$2,533,000 and with RossDrulisCusenbery Architecture, Inc., by \$292,000 for a not-to exceed amount of \$3,254,000; amend the Inspector of Record Services with ABC by \$80,000 for a not-to-exceed amount of \$945,000; amend the agreement with Mobile Modular for an additional rental of modular structures by \$55,000 for a not-to-exceed amount of \$283,500 for the Temporary Fire Station 6; and transfer and appropriate additional funds in an amount not-to-exceed \$5,596,800.

## **DISCUSSION**

This project includes training with live fire at the four-story Training Tower building and at the outdoor area with the use of LPG as the fire fuel. The Training Tower includes live fire props to simulate fires in stoves, beds, desks, and cars. These props use LPG in vapor state. There are also outdoor props like the tanker, airplane and fuel spill area that use LPG in both higher pressure vapor and liquid states. Pipes were installed underground from the LPG tanks to the Training Tower building and to the outdoor area by the contractor per the contract documents. After installation of the underground pipes to the outdoor area, it was determined that thicker wall pipes were needed for the higher-pressure vapor and liquid lines per code requirements. Stantec Consulting Services, Inc., (Stantec) the designer of the LPG system, acknowledged the error in the design and provided revised drawings to install the correct pipes and connection pits where these pipes terminate. Normally, the general contractor provides the pricing for document changes; however, due to the number of other changes already requested from the contractor and the delay in construction, staff determined that this added work, if conducted by the general contractor, would further delay the project.

On April 28, 2023, the City solicited Requests for Proposals for the LPG modification. On May 19, 2023, one (1) bid was received in the amount of \$224,321 from MBS. Staff recommends that Council authorize the City Manager to execute an agreement with MBS in an amount not-

to-exceed \$224,321. Stantec has accepted this added work as their responsibility and has agreed to cover the cost. The agreement between the City and MBS will also include direct payment between Stantec and MBS. Invoices submitted by MBS will be reviewed by staff and submitted to Stantec for payment.

Amendment to Professional Service Agreements

The FS6/FTC project commenced construction on August 17, 2020 and was anticipated to be completed in Fall of 2022. The completion date is now estimated to be July 2023 due to the delays in delivery of the material and shortage of labor resources. Construction requires construction management, design team support and inspector of record services to ensure that construction complies with project plans, specifications, and codes.

On January 21, 2020, Council adopted a resolution authorizing the City Manager to execute amendments to the PSA with Kitchell for construction support services in the amount of \$1,800,000 and to the PSA with ABC for inspector of record services in the amount of \$750,000. In June 2022, the updated construction completion date was extended to January 2023 which required extension of services by Kitchell and ABC. On June 28, 2022, Council adopted resolutions authorizing the City Manager to execute amendments to the PSA for Kitchell for extended construction support services by \$400,000 for a NTE amount of \$2,200,000 and for extended inspector of record services with ABC by \$115,000 for a NTE amount of \$865,000. On January 17, 2023, Council adopted resolutions authorizing the City Manager to amend the PSAs with Kitchell for extended construction support services by \$333,000 for a not-to-exceed amount of \$2,533,000 and with ABC by \$80,000 for a not-to-exceed amount of \$945,000. With the current updated construction completion of July 2023, the remaining amounts for both Kitchell and ABC will be exhausted by the end of June 2023. After construction is completed, there are remaining construction management and inspector of record services to close out the project. Amendments in the amounts of \$307,000 and \$85,000, respectively, are necessary to complete the project.

**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 will be positively impacted during construction of the facilities.

**FISCAL IMPACT**

Staff recommends approving the amendment amounts with Kitchell and ABC through the FS6/FTC project. The original total estimated project cost is \$70.9 million. As of FY22, Council has authorized the appropriation of \$66.7 million. The Adopted FY23 CIP budget appropriated the remaining \$4.2 million. On January 17, 2023, Council adopted the resolution to transfer and appropriate an additional \$5,596,800 due to increased cost in construction support services, temporary housing and fixture, furniture & equipment.

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

Construction Contract	\$52,397,000
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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 current estimated project cost are as follows:

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 Adopted FY 2023 CIP includes a total of \$76,498,500 for the FS6/FTC project and currently there is sufficient balance in the project to fund the amendments with Kitchell and ABC. Staff will return to Council for additional funds because construction contingency is anticipated to exceed the budgeted amount.

**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 proposed buildings will be 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 approves the resolutions to execute an agreement with MBS Engineering Inc., and amend the agreements with Kitchell and ABC, be executed by the City Manager, staff will route the agreement to MBS Engineering, Inc., allowing the LPG work to commence and the amendments to Kitchell and ABC allowing the firms to continue to provide construction support and inspector of record services.

*Prepared by:* Dave Hung, Senior Civil Engineer  
Kathy Garcia, Deputy Director of Public Works

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

Approved by:



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Kelly McAdoo, City Manager