



Legislation Details (With Text)

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Title: Actions pertaining to the new Fire Station No. 18 project:
1. ***RESOLUTION - 15th Amendment to the Annual Appropriation Resolution (AAR) No. 2019-133, appropriating \$3,419,600 to fund the new Fire Station No. 18 project which includes \$1,019,600 through defunded Urban Growth Management (UGM) appropriations as a funding source (Requires 5 affirmative votes) (Subject to Mayor's veto)
2. Adopt finding of a Categorical Exemption pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
3. Approve Inter-fund Loan Agreements from the UGM Area-wide Oversize sewer fund and the UGM Wellhead Treatment Area 101S fund, for the new Fire Station No. 18, pursuant to Article VI of the City of Fresno Reserve Management Act and Article IV of the Taxpayer Protection Act, providing for a cumulative \$3,857,700 loan
4. Award a construction contract with Klassen Corporation of Bakersfield, CA, for \$6,260,000 (Bid File 3655) (District 1)

Sponsors: Public Works Department

Indexes:

Code sections:

Attachments: 1. 19-11530 15th Amendment to AAR No 2019-208 rev, 2. 19-11530 Interfund Loan Agreement _40127_30159, 3. 19-11530 Interfund Loan Agreement _40510_30159, 4. 19-11530 Bid Evaluation, 5. 19-11530 Fiscal Impact Statement, 6. 19-11530 Standard Contract

Date	Ver.	Action By	Action	Result
11/14/2019	1	City Council	adopted	Pass

REPORT TO THE CITY COUNCIL

November 14, 2019

FROM: SCOTT L. MOZIER, P.E., Director
Public Works Department

THROUGH: WILLIAM C. HERR, Assistant Director
Public Works Department, Facilities and Construction Management Divisions

BY: DEBBIE BERNARD, Project Manager
Public Works Department, Facilities Management Division

SUBJECT

Actions pertaining to the new Fire Station No. 18 project:
1. ***RESOLUTION - 15th Amendment to the Annual Appropriation Resolution (AAR) No. 2019-133, appropriating \$3,419,600 to fund the new Fire Station No. 18 project which includes

- \$1,019,600 through defunded Urban Growth Management (UGM) appropriations as a funding source (Requires 5 affirmative votes) (Subject to Mayor's veto)
2. Adopt finding of a Categorical Exemption pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
 3. Approve Inter-fund Loan Agreements from the UGM Area-wide Oversize sewer fund and the UGM Wellhead Treatment Area 101S fund, for the new Fire Station No. 18, pursuant to Article VI of the City of Fresno Reserve Management Act and Article IV of the Taxpayer Protection Act, providing for a cumulative \$3,857,700 loan
 4. Award a construction contract with Klassen Corporation of Bakersfield, CA, for \$6,260,000 (Bid File 3655) (District 1)

RECOMMENDATIONS

Staff recommends that Council adopt the 15th Amendment to the Annual Appropriation Resolution (AAR) No. 2019-133, adopt a finding of a Categorical Exemption and award a construction contract with Klassen Corporation for \$6,260,000 for the new Fire Station No. 18 project and authorize the Public Works Director or designee to sign and execute the standardized contract on behalf of the City of Fresno. Staff also recommends the Council approve Inter-fund Loan Agreements pursuant to Article VI of the City of Fresno Reserve Management Act and Article IV of the Taxpayer Protection Act, providing for a \$2,400,000 loan from the UGM Area-wide Oversize sewer fund and a \$1,457,700 loan from the UGM Wellhead Treatment Area 101S fund for the new Fire Station No. 18 project.

EXECUTIVE SUMMARY

New permanent Fire Station No. 18 was identified as a high priority project in the City's adopted budget for FY2020. On July 28, 2016, Council approved an agreement for consultant services with Jeff Katz Architecture for the design of plans, cost estimates, and general construction contract documents for the new permanent Fire Station No. 18. This construction contract with Klassen Corporation, will allow the construction of new permanent Fire Station No. 18 to improve emergency response times west of State Route 99.

BACKGROUND

On November 6, 2007 Council adopted Resolution No. 2007-371 declaring the official intent of the City of Fresno to reimburse certain expenditures from proceeds of indebtedness. Construction of the new Fire Station No. 18 was also identified within Resolution No. 2007-371 as a Phase I immediate needs project as identified in the 2025 Public Safety Needs Assessment. The City entered into a Consultant Services agreement on July 15, 2008, for the design of and preparation of general construction documents. However, due to the downturn in the economy the consultant agreement was cancelled and the construction of new Fire Station No. 18 never took place. Since that time, the building codes changed and the Fire Department acquired additional land to enable a much more cohesive design. Per A.O. 6-19 Public Works published a Request for Statements of Qualifications and the City of Fresno entered into an agreement for consultant services with Jeff Katz Architecture for the design and preparation of construction documents for the new Fire Station No. 18.

On June 20, 2019, the Council approved an increase in the Citywide Fire Facilities Impact Fee, in order to ensure that new development is paying its appropriate share toward the cost of new fire facilities. With this increased revenue, the City is in position to approve an inter-fund from two other development impact fee funds, consistent with the Reserve Management Act and Taxpayer

Protection Act. The loans will provide for a \$2,400,000 loan from the UGM Area-wide Oversize sewer fund and a \$1,457,700 loan from the UGM Wellhead Treatment Area 101S fund for the new Fire Station No. 18 project. Loan proceeds will be repaid over a five-year period, including interest accrued at the City's pooled investment rate, using revenue from the Citywide Fire Facilities Impact Fee.

Plans and specifications were prepared by Jeff Katz Architecture. A Notice Inviting Bids was published on September 9, 2019, distributed to ten building exchanges and posted on the City's website. The specifications were distributed to seventy-one prospective bidders. Four sealed bid proposals and one on-line bid proposal were received and opened in a public bid opening on October 29, 2019, with the bid amounts ranging from \$6,260,000 to \$7,691,851.

Staff is recommending that Council adopt the 15th Amendment to the AAR No. 2019-133, adopt finding of a Categorical Exemption and award the construction contract to Klassen Corporation of Bakersfield, CA, for \$6,260,000 for the new Fire Station No. 18 and authorize the Public Works Director or designee to sign and execute the standardized contract on behalf of the City of Fresno.

ENVIRONMENTAL FINDINGS

Staff has determined that a Categorical Exemption is appropriate, based on Class 32 Section 15332 of the CEQA Guidelines, which consists of projects characterized as in-fill development meeting the conditions described in Section 15332 items (a) through (e). Furthermore, staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project. Staff recommends that the Council, based upon its own independent judgment, adopt a finding of a Categorical Exemption per Staff determination, pursuant to Section 15332, Class 32 of the CEQA Guidelines for the new Fire Station No. 18 Project.

LOCAL PREFERENCE

Local preference was not utilized as the apparent second low bid is over 5% higher than the apparent low bid.

FISCAL IMPACT

Out of the project total cost of \$7,357,637 there is \$3,500,000 in General Fund which has already been appropriated for construction in the Fire Department's FY2020 budget. The remaining amount of \$3,857,637 required for the new Fire Station No. 18 project will be financed through inter-fund loans. The UGM Area-wide Oversize sewer fund will loan \$2,400,000 and the UGM Wellhead Treatment Area 101S fund will loan \$1,457,700 (\$1,019,600 transferred in Fiscal Year 2020, and a second/final transfer of \$438,100 in Fiscal Year 2021). Repayments of the loan will be on a yearly basis for five consecutive years starting on November 30, 2020, in the amount of approximately \$826,163.44 based on the City's pooled treasury rate.

Attachments:

15th Amendment to AAR No. 2019-208
Inter-fund Loan Agreement 40127-30159
Inter-fund Loan Agreement 40510-30159
Bid Evaluation
Fiscal Impact Statement

Standard Contract