



Council Communication

Office of the City Manager

Date	May 19, 2008
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Agenda Item No.	59
Roll Call No.	08-
Communication No.	08-311
Submitted by:	Jeb E. Brewer, P.E. City Engineer

AGENDA HEADING:

Hearing on Fire Station No. 4 Renovation: Resolution approving plans, specifications, form of contract documents, City Engineer's estimate, receive and file bids, and designating lowest responsible bidder as Russell Construction Co., Inc., James V. Russell, President, 1840 NW 118th Street, Suite 100, Clive, IA, 50325, (\$439,350 City Engineer's Base Bid Estimate; \$489,550 including add-alternates)

SYNOPSIS:

This is the continued public hearing on both bid alternates to allow for public input on the Fire Station No. 4 Renovation and take the necessary actions as required by Iowa Code to authorize a contract for construction of the proposed project. This project provides for a major renovation of the existing fire station. Kitchen, office, and other related interior spaces will be remodeled. A fire suppression system will be provided throughout the building and the fire alarm system will be updated. Two HVAC units will be upgraded, doors and windows and lighting will be replaced to improve the energy efficiency of the facility.

On May 5, 2008, the City Council continued the hearing, the receipt of bids, and award of the contract on Fire Station No. 4 to the May 19th Council meeting and referred the item to the City Manager to further investigate solar options.

Staff has investigated the solar hot water systems such as those used in the City of Chicago and recommends that the City Council award the contract for Council Agenda Alternate A, which includes the \$30,862 Bid Alternate No. 3 for the solar water heating system, and the \$4,500 Bid Alternate No. 4 for the energy monitoring system for solar water heating system for a total contract of \$511,762; and direct that staff continue to work with the lowest responsible bidder, Russell Construction Co., Inc., on value engineering of the solar water heating system.

Staff recommends that Russell Construction Co., Inc. be directed not to order any equipment or materials associated with Bid Alternates 3 and 4, and that the bid price for these two alternates totaling \$35,362 be considered as an "Energy Savings and Greenhouse Gas Reduction Allowance." This allowance would then be used to fund solar and/or other energy savings proposals at Fire Station No. 4 resulting from the value engineering process, if the payback for the proposal is less than 15 years.

If staff can not identify any proposals that would result in a payback of less than 15 years, the allowance would be deducted from the contract by change order. This action would allow the contract to be awarded and construction to begin, and still allow staff time to explore additional solar and energy saving options at Fire Station No. 4.

FISCAL IMPACT:

Amount: (\$439,350 City Engineer's Base Bid Estimate; \$489,550 including add-alternates)

- Council Agenda Alternate A being \$511,762 Construction Contract including the Base Bid PLUS selected Alternate Nos. 3 and 4 for solar water heating and monitoring
- Council Agenda Alternate B being \$476,400 Construction Contract including the Base Bid only which DOES NOT include Alternate Nos. 3 and 4 for solar water heating and monitoring

Funding Source: 2007-2008 CIP, Page Fire-7, Fire Station Remodeling, FIR016, Being: \$296,762 in available G. O. Bonds with \$215,000 from bonds to be issued

ADDITIONAL INFORMATION:

On March 24, 2008, under Roll Call No. 08-462, the City Council received and filed plans, specifications, form of contract documents, and City Engineer's estimate for the construction of the Fire Station No. 4 Renovation. Before the City Council can enter into a contract, it must hold a public hearing and approve the proposed plans, specifications, and form of contract documents and engineer's estimate for the construction of the Fire Station No. 4 Renovation, 10-2008-003. The improvement includes renovation of an existing station containing approximately 8,200 sq. ft. including but not limited to fire sprinkler system, updated fire alarm system, kitchen remodel, replacement of all light fixtures, painting through-out, parking lot replacement, add captains quarters within sleeping area, add partitions between beds, restroom renovations, upgrade two HVAC units, partial window replacement, interior door replacement, and terazzo restoration & cleaning; all in accordance with the contract documents including Plan File Nos. 475-131/150 at Fire Station No. 4, 917 University Avenue, Des Moines, Iowa.

Sealed bids for said improvement were submitted by the following bidders:

Russell Construction Co., Inc., Clive, IA
Prostruct Construction, Inc., West Des Moines, IA
Rochon Corporation of Iowa, Inc., Urbandale, IA
Venter Spooner, Inc., Johnston, IA

The bids were received and opened at a public meeting presided over by the City Engineer in the City Council Chambers, 2nd Floor, City Hall, 400 Robert D Ray Drive, Des Moines, Iowa at 11:00 a.m. on April 22, 2008. The Acting City Engineer determined that Russell Construction Co., Inc. submitted the lowest responsive, responsible bid for the base bid construction of said improvement in the amount of \$476,400.

The Acting City Engineer also determined that the lowest responsive, responsible bid for the construction of the base bid plus selected Alternate Nos. 3 and 4 for the Fire Station No. 4 Renovation was submitted by Russell Construction Co., Inc., in the total amount of \$511,762, and the bid should be accepted.

The Finance Director has determined that funds are available for the improvement as stated above.

On May 5, 2008, under Roll Call No. 08-823, 824, 825, and 826 the City Council continued the hearing and further action on various items regarding the bids and award of the contract on both Council Agenda Alternate A and B for Fire Station No. 4 to the May 19th Council Meeting and referred the item to the City Manager to further investigate solar options. Council Agenda Alternate A includes the \$30,862 Bid

Alternate No. 3 for the solar water heating system and the \$4,500 Bid Alternate No. 4 for the energy monitoring system for solar water heating system on the Fire Station No. 4 Renovation with the lowest responsible bidder as Russell Construction Co., Inc., for \$511,762. Council Agenda Alternate B does not include either Bid Alternate 3 or 4 with the lowest responsible bidder as Russell Construction Co., Inc., \$476,400. The Council requested further information about the payback period for this project as compared to the payback period of other projects in the country.

Engineering Department staff has had several conversations with representatives from Solargenix Energy, LLC, 3622 S. Morgan Street, Chicago, IL. Solargenix is the company that has worked with the City of Chicago over the past four years and developed the solar water heating and solar heating systems used there. In addition, Solargenix is currently working with San Francisco, CA and San Antonio, TX on solar systems and is interested in working with the City of Des Moines on its conversion to solar energy. Each of these cities has taken a different approach to utilizing solar energy in their buildings.

Solargenix has provided the Engineering Department preliminary information about their systems and costs, which will need to be further investigated and evaluated. Solargenix has also calculated the payback based on their estimates for a Des Moines project, which is considerably less than 100 years. However, this preliminary design, along with its associated costs and calculations, needs to be reviewed and the assumptions made by Solargenix need to be verified. Staff would like additional time to work with Solargenix and Russell Construction Co., Inc., the low bidder on the Fire Station No 4 Renovation project, to do value engineering on the solar energy system at Fire Station No. 4 and get actual construction cost data into the model. Staff would also recommend that other alternates, such as tankless water heaters, be evaluated which could provide renewable energy or reduce energy costs.

PREVIOUS COUNCIL ACTION(S):

Date: May 5, 2008

Roll Call Number: [08-823](#), [08-824](#), [08-825](#), [08-826](#)

Action: [On](#) Fire Station No. 4 Renovation: Resolution approving plans, specifications, form of contract documents, Engineer's Estimate and designating lowest responsible bidder as Russell Construction Co., Inc., (James V. Russell, President), \$511,762. ([Council Communication No. 08-264](#)). Moved by Coleman to continue to the May 19 Council Meeting and refer to the City Manager to further investigate the solar options. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Partial payments to the contractor and final acceptance of work.

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