Agenda Item 8b

KENSINGTON FIRE PROTECTION DISTRICT



DATE:

July 13, 2022

TO:

Board of Directors Special Meeting Kensington Fire Protection District

RE:

Public Safety Building Seismic Renovation - Construction Award

SUBMITTED BY:

Bill Hansell, General Manager

Recommended Action

Having verified the bid materials submitted by the apparent low bidder for the Public Safety Building Seismic Renovation Project, staff recommends that the board award the project to CWS Construction Group Inc, and instruct the General Manager to work with district counsel to complete and execute the contract for construction services.

Background Info

Public bids for the **PSB Seismic Renovation Project** were received and opened on Friday, 07/01/2022, at 2:00PM. The bid summary and all materials submitted are attached to this report. In order from lowest to highest, the bids are as follows:

1. CWS Construction Group Inc	\$5,475,000
2. JUV Inc	
3. S&H Construction, Inc	
4. Southwest Construction & Property Management	
5. S W Allen Construction Inc.	\$6 642 268

For reference, The low bid of \$5,475,000 is \$59,904 <u>below</u> the district's most recent Cost Estimate, dated 02/28/2022, of \$5,534,904. Now that bids have been received for both the Temporary Fire Station and the PSB Seismic Renovation Project, the following Total Project Cost has been updated to reflect the low-bids:

PSB Seismic Renovation Construction Cost	\$5,475,000
Temp Fire Station Construction Cost	
PSB Seismic Renovation Design/Engineering	\$600,000
Temp Fire Station Design/Engineering Estimate	\$90,000
Relocation/FFE/Etc Estimate	\$300,000
Sub-Total	\$7,205,000
10% Project Contingency (if needed)	\$720,000
Total Project Cost	

The revised **Total Project Cost** of **\$7,925,000** is \$1,575,000 *lower* than the **\$9,500,000** estimate used in NHA Advisor's March 2022 long-term financial analysis. It is also \$775,000 *lower* than the **\$8,700,000** estimate used in their June 2022 analysis. Accordingly, the principal loan estimate dropped from **\$4.6M** (Nov 2021) to **\$3.5M** (Apr 2022) and, finally, to **\$2.16M**. Although affected by rising interest rates since the Nov 2021 analysis, the reduced principal has lowered the total 25-year interest cost from **\$2.30M** to **\$1.36M**. Overall, the **Total Project Cost**

1 at attachment

Temporary Costs	Temporary Costs					0,0	'occ'te			10	\$6,075,000			\$1,065,000	Total Cost
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Temporary Costs	Temporary Costs			\$22,842		\$408.515	\$216 736	\$706 378	SALIGNATURE OF THE SALIS OF THE	000000			Account of the Party of the Par	\$105,000	Add 14 Months
Temporary Costs	Temporary Costs			05	\$42,000	\$308,000	\$140,000		The second secon	\$20r			[0000[14]	- Contraction of the Contraction	Monthly Cost
Temporary Costs	Temporary Costs		ALL DESCRIPTION OF THE PERSON	[ne]	[\$3,000]	[\$22,000]	[\$10,000]				N/N	N/A	[\$7 500]		- Committee
Temporary Costs	Temporary Costs			\$22,842	\$16,185	\$100,515	\$76,736		\$884,397		\$710,841	\$925,184	\$137,971	\$859,745	Year to Date
Temporary Costs	Temporary Costs						and the second second second	The second second second second				And the second s			June 2023
Temporary Costs	Temporary Costs						The second secon				000,26¢		\$8,579		May 2023
Temporary Costs	Temporary Costs					\$23,580					4000		,01,00		Apr 2023
Temporary Costs	Temporary Costs				\$8,138	\$23,265	\$18,415				\$116.435		ćc 167		Midi Coro
Temporary Costs	Temporary Costs		And the second s	Annual Control of the Asset of	100,000	050'17¢	C/7'0¢¢				\$85,322		\$63,171		Mar 2023
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	Total Cost for PSR Rennovation							The state of	2031 101 1	iotai					

TEMPORARY COSTS - Costs for the temporary fire station at the Unitarian Church

HARD COSTS FOR PSB - Includes \$600,000 of possible cost overruns

SOFT COSTS - Assumes 14 months after June 2023 until completion

CLOSE TEMPORARY - Clean up and resurface church parking lot

FF+E - Purchase and install new FF+E

Comparison of 5-Year Budget Forecast Versus Increased Project Costs

F	rom Budg	<u>get</u>	Using Inc	reased Pro	oject Costs
	PSB	General	PSB	Added	Adjusted
Fiscal	Capital	Fund	Capital	Project	Gen. Fund
Year	Expend	Unassigned	Ехр	Costs	Unassigned
	(000)	(000)	(000)	(000)	(000)
					8
21-22	515	4,721	515	-	4,721
22-23	2,662	5,264	2,394	400 MM	5,264
23-24	4,712	2,655	5,622	642	2,013
24-25	-	2,580	400	400	1,538
25-26		2,332	== ==		1,290
26-27	mad time	1,869		espens (827
27-28		1,179	600 600	enes	137

The above table shows in red that the current 5-year budget indicates the Unrestricted Fund Balance (representing unrestricted available cash) declines each year because expenditures (primarily El Cerrito fire services) are exceeding revenues from property taxes. This budget forecast assumed that total PSB costs will be unchanged from those forecast in July 2022.

However, there have been a number of cost increases as shown in the previous table and these factors could drive up total project costs by \$1,042,000. This could reduce total unrestricted available cash to \$137,000 by 2027-28, as shown above in green..

It is also critically important to consider that the above estimates are based on available funds as of June 30 of each fiscal year and that there is a 6 month time lag until revenues are received from CC County in December, further increasing the need for available cash.