## CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: LISA WELSH, ASSOCIATE CIVIL ENGINEER

GRANT BAILEY, SUPERVISING ENGINEER

TRANSPORTATION AND PUBLIC WORKS DEPARTMENT

SUBJECT: AUTHORITY TO ISSUE DESIGN-BUILD REQUEST FOR

PROPOSALS FOR PERMANENT FIRE STATION NO. 5 REBUILD

AGENDA ACTION: MOTION

### RECOMMENDATION

It is recommended by the Department of Transportation and Public Works and the Fire Department that the Council, by motion, approve the use of the Design-Build procurement method as in the best interest of the City and authorize issuance of a Request for Proposals for the Permanent Fire Station No. 5 Rebuild project.

#### **EXECUTIVE SUMMARY**

Fire Station 5, formerly located at 2201 Newgate Ct., was destroyed in the 2017 Tubbs fire. The City may receive federal grant funds applicable to the Fire Station 5 rebuild. Utilizing a Design-Build delivery method will expedite project delivery, benefitting the project timeline by ensuring timely expenditure of grant funds. Staff has investigated the use of Design-Build procurement for fire station construction and recommends the process be used for the Permanent Fire Station 5 Rebuild project.

### **BACKGROUND**

Fire Station 5, formerly located at 2201 Newgate Ct., was destroyed in the 2017 Tubbs fire. In 2018, a temporary Fire Station 5 was constructed at 3480 Parker Hill Road to ensure continued service to the community. The permanent rebuild of Fire Station 5 will restore permanent service to the Fountaingrove neighborhood and provide protection of the Wildland Urban Interface (WUI).

The proposed site for the new station is currently in the environmental and acquisition phase for a portion of 1400 Fountaingrove Parkway, located at the intersection of Fountaingrove Parkway and Stagecoach Drive. Based on the 2016 Standard of Coverage study produced by the Fire Department, the new location enhanced service to the entirety of Fountaingrove and to improve the service level to the northern portions on north Mendocino Avenue and adjacent areas.

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The City of Santa Rosa is contracting with RossDrulisCusenbery Architecture, Inc. of Sonoma, California for environmental services and preliminary engineering/architectural design. The concept design was completed February 2021, and the environmental phase is expected to complete in January 2022. Upon completion of the environmental process, authorization to acquire the property and certification of the California Environmental Quality Act (CEQA) documents will be brought before the Council for consideration.

Parallel to the environmental and acquisition phases, staff applied for Community Development Block Grant – Mitigation (CDBG-MIT) and Community Development Block Grant – Disaster Relief (CDBG-DR) funds through the State of California Housing and Community Development Disaster Recovery Program to aid in the rebuild of Fire Station 5. The City is in the due diligence phase of the grant funding for the permanent Fire Station 5 rebuild. The grant funding cannot be awarded until the environmental phase and acquisition is completed.

Staff has researched the use of Design-Build procurement with other agencies for fire station construction and recommends use of the process for this project.

## PRIOR CITY COUNCIL REVIEW

In January 2014, the City Council adopted Ordinance 4021, which established regulations for the award, use and evaluation of Design-Build contracts.

On February 6, 2018 the Council, by resolution, approved a Use Agreement for the use of a temporary modular fire station and apparatus tent owned by the Menlo Park Fire Protection District.

On June 26, 2018, the City Council, by resolution, approved the Temporary Fire Station 5 project and awarded the Temporary Fire Station 5 construction contract.

On July 10, 2018, the City Council, by motion, approved Fire Department staff to evaluate and recommend a permanent fire station location and design for service delivery to the Fountaingrove area.

On October 27, 2020, the City Council, by motion, awarded a contract to RossDrulisCusenbery Architecture, Inc. of Sonoma, California for environmental and concept design services.

On February 9, 2021, the City Council reviewed a Study Session presentation showing the top seven highest priority projects related to wildfire preparedness, mitigation, and resiliency, requested to be funded with PG&E settlement funds.

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## **ANALYSIS**

A Design-Build contract is an alternative contracting method in which a single Design-Build Entity both designs and builds a project. This method expedites project delivery by reducing the number of contracts under the project, overlapping the design and construction phases, potentially reducing project costs, and minimizing disputes between designer and contractor. The proposed procurement method will follow Section 3-60 of the City of Santa Rosa Municipal Code. This method allows for selection of a Design-Build firm based on an initial prequalification process and a follow up Request for Proposals (RFP) process based on performance objectives established for the project.

A Selection Committee will review and rank the proposals based on the evaluation criteria outlined in Section 3-60.120 of the City Code. Upon completion of the proposal rating process, the Selection Committee will make a recommendation to the City Council to award the Design-Build contract to the Design-Build Entity whose proposal is selected as providing the best value, meeting the interest of the City and meeting the objectives of the project. A request to award a Design-Build contract will be presented to Council at a later date.

Staff has discussed use of the Design-Build procurement process with the California Department of Housing and Community Development (HCD) responsible for administration of CDBG grant funds. HCD has acknowledged that utilization of Design-Build process is allowable under the grant guidelines; however, further justification is required to confirm the project will be competitively bid, and that project pricing is reasonable compared to other similar projects by following the City Code Chapter 3-60 Design-Build Procurement.

A major benefit for the use of Design-Build on this project is that upon award of the grant funds, the CDBG-MIT funds have a "shovel ready" requirement, with an expectation that those funds will be utilized rapidly. A Design-Build process will expedite expenditure of CDBG-MIT funds by overlapping design and construction phases and reducing the overall project delivery schedule. Traditional Design-Bid-Build process will likely extend the expenditure of CDBG-MIT funds beyond one year of funding award, possibly jeopardizing utilization of funds for the project.

Staff has reviewed HCD's procurement manual and is confident a Design-Build request for proposals (RFP) can be drafted to meet competitive procurement requirements. Staff will continue to work closely with HCD throughout the process to ensure the final Design-Build RFP is acceptable under the grant guidelines and is approved by HCD under the Project Application. A motion to authorize issuance of a Design-Build RFP does not require that staff use the process; and ultimately if the Design-Build procurement process is rejected by HCD, staff can utilize traditional Design-Bid-Build process for the project.

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### FISCAL IMPACT

A journal ledger account Number 05018 has been established and funded with \$1,235,588 General Funds to support the environmental and acquisition phase.

This item is expected to have no direct fiscal impact on the General Fund.

Additional funding to support design and construction of the permanent Fire Station 5 will be brought before City Council at a future date.

### **ENVIRONMENTAL IMPACT**

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project at this time, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378. Environmental review will be required prior to construction of the Fire Station.

## BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

**NOTIFICATION** 

Not applicable.

**ATTACHMENTS** 

None.

#### CONTACT

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