

# Agenda

## City of Visalia Measure N Oversight Committee

Don Sharp – Board of Realtors/Building Industry  
Anil Chagan – Downtown Visalians/Property Owners  
Vincent Salinas – Hispanic/Visalia Chamber  
Rick Feder – Visalia Economic Development Council  
Glen Stewart – Citizens Advisory Committee  
Kelly Pierce – Citizens Advisory Committee

Janice Avila – Council appointee  
Berkley Johnson – Council appointee  
Basil Perch – Council appointee  
Erica Lutterbein – Council appointee  
Brad Maaske – Council appointee

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Tuesday, November 1, 2022  
5:30 p.m.

Visalia Administration Office  
220 N. Santa Fe St.  
Visalia, CA

1. **Welcome and Public Comment.**

This is a time set aside for the Committee to receive public comment on issues which are not already included on the agenda. Public comment regarding items on the agenda may be open to public comment prior to the committee's discussion of the agenda item and before any action is taken on the agenda item. Members ask that comments are kept brief and positive. In fairness to all who wish to speak, each speaker will be allowed three minutes. Please begin your comments by stating your name and the street you live on.

2. **Receive comments to appropriate an additional \$4.3 million to the Station 56 Construction project. Document attached.**

2. **Future meetings and items for discussion.**

3. **Good of the Order.**

4. **Adjourn.**

Next meeting: To be determined.

*In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing Impaired – Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.*

*Any written materials relating to an item on this agenda submitted to the Measure N Oversight Committee after distribution of the agenda are available for public inspection in the Office of the City Clerk, 220 N. Santa Fe Street, Visalia CA 93292, during normal business hours.*



# Visalia City Council

Visalia City Council  
707 W. Acequia  
Visalia, CA 93291

## Staff Report

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**File #:** 22-0359

**Agenda Date:** 10/17/2022

**Agenda #:** 5.

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### Agenda Item Wording:

Presentation of the construction bids received for the Visalia Fire Station No. 56 Project, authorize staff to begin the Measure N amendment process for the appropriation of \$4,300,000 in additional funding.

**Deadline for Action:** None

**Submitting Department:** Administration - CIP Engineering

### Contact Name and Phone Number:

Jaklin Rowley, Assistant Project Manager, [Jaklin.Rowley@visalia.city](mailto:Jaklin.Rowley@visalia.city), (559)-713-4369

Mike Porter, Project Manager, [Mike.Porter@visalia.city](mailto:Mike.Porter@visalia.city), (559)-713-4412

Nick Mascia, Assistant City Manager, [Nick.Mascia@visalia.city](mailto:Nick.Mascia@visalia.city), (559) 713-4323

### Department Recommendation:

Staff recommends that the City Council:

1. Receive the bid results for the construction of Fire Station No. 56; and
2. Authorize staff to begin the Measure N amendment process for the additional appropriation of \$4,300,000 towards the construction of Fire Station 56.

### Background Discussion:

#### Bid Process:

The City of Visalia advertised for bids from qualified contractors for the construction of Fire Station 56. The bid package had two components: 1) "base bid" for construction of the fire station, and 2) "Unit Prices" for removal of unsatisfactory soil & replacement with satisfactory soil, cutting & patching of concrete floor slabs, and miscellaneous & structural steel.

The standard City bid process was conducted, and on September 30, 2022, City staff opened two (2) bids that were submitted for the project. Per the construction documents, the apparent low bid was established by the lowest base bid. The results are summarized below.

No.	Contractor	Location	Bid Amount
1.	Forcum/Mackey Construction, Inc.	Ivanhoe CA	\$5,670,000
2.	AMG and Associates, Inc.	Santa Clarita CA	\$6,335,000

Staff reviewed the bids and found that each bidder submitted the required information. Forcum/Mackey Construction's Bid proposal was determined to be the lowest responsive bid and as part of the bid review process, the reference provided by Forcum/Mackey Construction and their listed subcontractors can perform the work for this project. Staff recommends the award of the lowest responsive bid from Forcum/Mackey Construction in the amount of \$5,670,000 for the construction of Fire Station No. 56.

Staff believes this is a very competitive bid and should be accepted. The engineer's estimate was over \$6.7

million. While prior to the bid opening staff had been considering rebidding the project in the spring in anticipation of a high cost, staff believes these bids are very competitive and warrant moving ahead with the project at this time.

**PROJECT NEED:**

The current Fire Station 56 is shared with the Cal Fire site on the northeast corner of Lovers Lane and Walnut Avenue. The lease for this station will terminate at the end of 2023, because of this City staff identified the need to move fire equipment and personnel to a new Fire Station. The new fire station is designed for two fire engines, a visitor lobby, offices, dining, and sleeping accommodations for fire personnel. The exterior elevations denote cement plaster siding, accented with a dark bronze metal panel trim, and incorporated Coronado stone veneer as part of the building façade (see attachment A: Elevation exhibit).

The fire station will operate 24 hours a day, 365 days a year, which is consistent with other City fire stations. Three on-duty firefighters will be stationed at the facility, with an additional three firefighters present during shift changes. Daily activities for fire personnel include responding to emergency calls, maintaining property, yard care, and fire equipment maintenance. Given the fire station’s proximity to residential development, the Battalion Chief noted, per the operational statement, that during late night and early morning hours, fire personnel will only use sirens when necessary to reduce noise impacts to the surrounding sensitive land uses.

City staff performed multiple analyses on three (3) potential project locations for the new Fire Station 56 (see attachment C: alternate site locations map). Ultimately the decision was made to build the station on the west side of Lovers Lane, south of Tulare Avenue (see attachment B: Vicinity Map). The use of this location altered the site layout and orientation with significant changes to the ingress, egress, and configuration of the building on site. The additional design work/cost for this alternative far outweighed the cost that would have been required to develop the other site locations that were considered. The location of the new fire station provided the City with the opportunity to save money on the extension of utilities, such as water, electricity, gas, sewer, and storm drain. Additionally, there are savings associated with the parcel being ‘shovel ready’ including the elimination or reduction in the need for demolition, orchard removal, on-site grading, off-site grading, paving, and installation of curb, gutter, and sidewalk.

Fire Station 56 is a single-company neighborhood fire station that is modeled after Fire Station 53. The Fire Station 56 (FS 56) Project consists of a new 6,800 square-foot fire station located on the west side of Lovers Lane, approximately 400 ft south of Tulare Avenue. The new building construction is a combination of concrete, masonry, steel, and wood. Portions of the existing site are being demolished to facilitate the construction of the new facility. The project includes the development of 0.82 acres of site improvements around the building including curb, gutter, sidewalk, paving, and concrete driveways.

**Fiscal Impact:**

This project is funded by Measure N Fund 141 (No. 1410-72000/CP0346-999) additional funds must be appropriated from Measure N to complete the project.

<b>Budget Summary: Construction of Fire Station 56, CP0346</b>	
<b>Project Budget</b>	<b>\$4,000,000</b>
Land Acquisition Costs	\$435,310

Design Phase Costs (City Staff Time, Cal Water)	\$245,000
Design Consultant - RRM Design Group	\$458,083
<b>Construction Cost</b>	<b>\$5,670,000</b>
Construction Contingency (10%)	\$567,000
Construction Inspection (1%)	\$56,700
Construction Management Services - Vanir CM	\$395,660
Construction Management (5%) - City Staff Costs	\$293,500
Material Testing (3%)	\$170,100
<b>Total Estimated Project Costs</b>	<b>\$8,291,353</b>
<b>Remaining Balance Needed</b>	<b>\$4,291,353</b>
<b>Appropriate Additional Funds</b>	<b>\$4,300,000</b>

Costs have increased significantly since this project was first proposed as part of the ballot measure preparation in 2015 which led to Measure N being adopted in 2016. The \$4 million originally budgeted was probably too optimistic at the time, and construction and land costs have risen significantly in the past seven years. Due to the identified budget shortfall and in order to complete the project for the Fire Station 56 Construction, staff requests the City Council to authorize staff to begin the process for a Measure N amendment appropriating the additional funds in the amount of \$4,300,000 towards the Fire Station 56 Construction. A larger construction contingency has been incorporated into the project budget for a revision to the electrical plans and construction to incorporate additional infrastructure which will provide the backbone for a future electric charging system to power an electric fire engine. It is unknown at this time how the change in infrastructure will affect the electrical systems or equipment, as such a higher contingency is being included. The City Staff costs section also includes the costs that will be associated with the groundbreaking ceremony and the ribbon-cutting ceremony; this cost is in addition to the five percent that is being budgeted for staff time.

The request for the additional Measure N funds will be presented to the Measure N committee for approval followed by two public hearings at the next available City Council meetings for adoption of the Measure N Amendment. At the second public hearing, staff will also make the recommendation for the award of the construction contract and authorization of the additional funding. Over the past couple of years, revenues from Measure N have been higher than anticipated. Those additional revenues are being proposed to facilitate this project's need without impeding previously identified programs or projects within Measure N.

The Construction Manager's (Vanir Construction) estimate for the base bid item (fire station construction) was \$6,707,507. The lowest apparent bid came in more than a million dollars under the estimate that was completed by Vanir in September of 2021. This is a very favorable bid price and staff highly recommends the award of the project to Forcum/Mackey Construction.

The past two years have seen considerable increases in construction costs, especially in fire stations, Vanir Construction completed a study showing how prices have increased over the last two years in which they observed price jumps in the following materials at the following amounts: lumber 101%, steel mill products 88%, copper and brass 61%, aluminum 33%, plastics 22%, gypsum 18% and trucking/transportation 15% (see attachment D: Construction Cost Increases). Staff expected the bids to come in far over the estimate that was created last September based on this study and comparable projects that Vanir Construction has been involved in over the last two years. Despite these increases in costs, that have been observed, both bids came in under the estimate. Vanir Construction has worked with Forcum/Mackey in the past and have said they are

fair and easy to work with.

### Project Schedule

Below is the estimated project schedule. Staff is planning a groundbreaking ceremony in December to invite the public to celebrate the new fire station that will be serving Visalia (a \$10k estimate is included for groundbreaking costs and is buried inside staff costs). Construction will start after the notice to proceed is issued which is currently scheduled for early January. Vanir Construction and RRM, the project's Design Team, have concurred the estimated time to complete construction based on similar projects is 14 months. Based on this, construction is expected to be completed in May of 2024 which will be celebrated with a ribbon-cutting ceremony. Our firefighters will move into their new station in May of 2024. The lease for the exiting fire station 56 is currently being reviewed for an extension so that there is time to complete construction before the firefighters are required to move.

<u>Task</u>	<u>Start Date</u>	<u>Completion</u>
Design	February 2019	July 2022
Request for Construction Bids	August 2022	September 2022
Measure N Committee and Public Hearings	October 2022	November 2022
Groundbreaking	December 2022	
Construction	January 2023	May 2024
Grand opening/Ribbon Cutting	May 2024	
Move-In	May 2024	June 2024

### **Prior Council Action:**

January 19, 2021 - Council authorized the City Manager to execute a contract with the consulting firm of Vanir Construction Management, Inc. for construction management services for the Fire Station 56

December 7, 2020 - Closed session item to discuss the possibility of moving the FS 56 site location to an alternate site on Lovers Lane.

October 19, 2020 - Closed session item to discuss the possibility of moving the FS site location to the SW corner of Tulare & Vista.

October 9, 2019 - Council authorized the City Manager to execute a Professional Services Agreement with RRM Design Group, to provide Architectural and Engineering Design Services for the Fire Station 56 Project.

### **Other:**

N/A

### **Alternatives:**

N/A

### **Recommended Motion (and Alternative Motions if expected):**

I move to accept the presentation of the Fire Station No. 56 projects bid proposals and authorize staff to begin the Measure N amendment process for the appropriation of \$4,300,000 to CP0346 (No. 1410-72000/CP0346-999).

### **Environmental Assessment Status:**

N/A

**CEQA Review:**

N/A

**Attachments:**

A: Elevation Exhibit

B: Vicinity Map

C: Alternate Site Locations map

D: Construction Cost Increases

E. Ownership Disclosure



FIELD COLOR  
MODERNE WHITE  
SW 6168



BRICK VENEER  
CORONADO STONE  
BROOKSIDE



METAL PANEL  
KINGSPAN  
DARK BRONZE



ACCENT COLOR  
ARGOS  
SW 7065



1711001006-21 03/11/2019 5:45:45 PM 4/2/2019 2:15:29 PM

**MATERIALS BOARD | T-1.3**

APRIL 04, 2019

# City of Visalia

## Fire Station 56



- Street Names
- City Limits
- Streets
- PARCELS
- Easements



# City of Visalia Fire Station No. 56 Project

## Reasons for Construction Increase

### VANIR STUDY ON CONSTRUCTION PRICE SPIKING

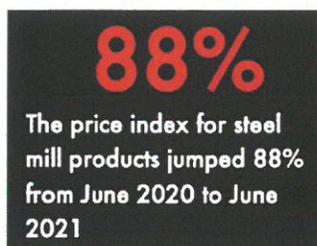
VANIR PERFORMED AN EXTENSIVE RESEARCH STUDY TARGETED SPECIFICALLY AT THE CALIFORNIA CONSTRUCTION MARKET TO DETERMINE THE CAUSE OF THE ANOMALIES. THIS RESEARCH INCLUDED INTERVIEWS WITH LARGE AND SMALL CONSTRUCTION FIRMS (BOTH GENERAL CONTRACTORS AND SUBCONTRACTORS), INTERVIEWS WITH SEVERAL INDUSTRY ORGANIZATIONS, AND GATHERING FACTS FROM VARIOUS INDUSTRY PUBLICATIONS. VANIR'S RESEARCH REVEALED THAT THESE ANOMALIES ARE THE RESULT OF SIX MERGING CONDITIONS THAT ARE CAUSING VOLATILITY IN THE MARKET:

1. COVID-19 IMPACTS ON THE LABOR MARKET, SUPPLY CHAIN AND INFLATION
2. CONSTRUCTION FIRM'S DESIRE FOR FINANCIAL HEALTH OUTWEIGHS ITS DESIRE TO GROW (TAKE ON RISK).
3. REDUCTION IN QUANTITY OF CONSTRUCTION FIRMS THROUGHOUT THE STATE
4. INCREASING VOLUME OF CONSTRUCTION WORK IN VARIOUS LOCATIONS THROUGHOUT THE STATE.
5. SHORTAGE OF SKILLED LABOR
6. RISK OF TRAVELING TO REMOTE LOCATIONS

### ASSOCIATED GENERAL CONTRACTOR OF AMERICA (AGC); AUGUST 2021 REPORT

THE PRICE OF ALL MATERIALS AND SERVICES IN THE CONSTRUCTION INDUSTRY JUMPED **26.3%** FROM *JUNE 2020 TO JUNE 2021*.

ITEMS SUCH AS LOCKERS, GLASS, STRUCTURAL STEEL, DUCTILE IRON FITTINGS, PIPE MATERIAL, INSULATION, SIGNAL POLES AND LIGHTING. PVC PRODUCTS SUCH AS FIBERGLASS PIPE, PLUMBING FIXTURES, VINYL SIDING, MOISTURE BARRIERS, ADHESIVES. AND THE MATERIALS TO MAKE THE PVC PRODUCTS – CEMENT, SEMICONDUCTORS, CHLORINE AND STEEL ARE ALL IN SHORT SUPPLY.



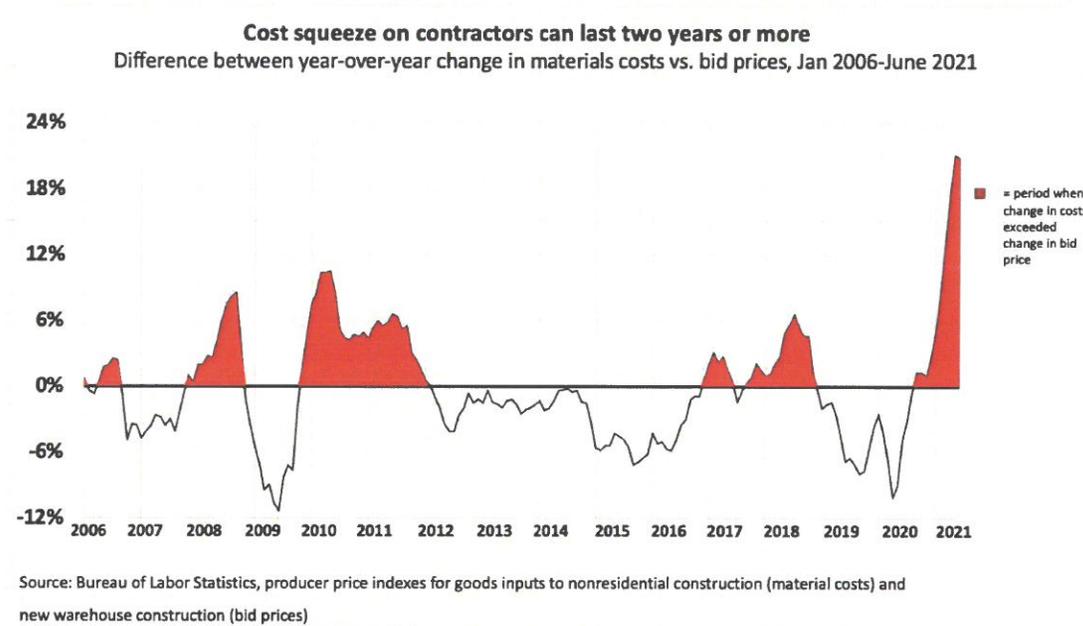
#### MATERIAL PRICING JUMP YEAR

OVER YEAR: LUMBER 101%, STEEL MILL PRODUCTS 88%, COPPER AND BRASS 61%, ALUMINUM 33%, PLASTICS 22%, GYPSUM 18% AND TRUCKING/TRANSPORTATION 15%.

SUPPLY CHAIN ISSUES: CURRENTLY THERE ARE DELAY'S AT EVERY STAGE OF THE SUPPLY CHAIN.

DELIVERY DELAYS: CONTRACTORS ARE EXPERIENCING DELIVERY TIMES THAT ARE BEING STRETCHED OR BECOMING COMPLETELY UNRELIABLE. GLOBAL DELIVERIES HAVE SLOWED OR STOPPED, CONTAINERSHIPS CANNOT GET CONTAINERS, PORTS ARE BACKED UP, SHORTAGES OF TRUCK DRIVERS AND RAIL CARS OR TRAIN CREWS SIT FOR MUCH LONGER THAN NORMAL, NATURAL DISASTERS (HURRICANS ETC...) AND ACCIDENTS (SUEZ CANAL BLOCKAGE) HAVE ALSO HAMPERED DISTRIBUTION LINES.

LABOR SHORTAGE: AS CONSTRUCTION PROJECTS ARE SPIKING, LABOR EMPLOYMENT DROPPED BETWEEN 14-15% FROM FEBRUARY TO APRIL 2020. BY JUNE 2021 ONLY HALF OF THE EMPLOYEES THEY LOST WERE BACK WORKING.



**CALIFORNIA CONSTRUCTION INDEX PROVIDED BY DEPARTMENT OF GENERAL SERVICES (DGS)**

MONTH OVER MONTH AS ILLUSTRATED BELOW JANUARY 2021 TO AUGUST 2021 HAS A 14.6% INCREASE OF COSTS. APRIL 2021 TO MAY 2021 WAS THE LARGEST JUMP EVER.

- January 2021 to August 2021     8122/7090 = 14.6% - 8 months period =average of 1.83% per month
- April 2021 to May 2021            7712/7150 = 7.8% - 1 month very sharp increase
- May 2021 to June 2021            7746/7712 = .044% - 1 month very nominal increase
- June 2021 to July 2021            7892/7746 = 1.9% - 1 month moderate increase
- July 2021 to August 2021         8122/7892 = 2.9 % - 1 month high to moderate increase

**California Construction Cost Index 2021-2025**

Month	2025	2024	2023	2022	2021
January					7090
February					7102
March					7130
April					7150
May					7712
June					7746
July					7892
August					8122

ADDITIONAL FORMS REQUIRED BY CITY OF VISALIA



SUBMIT WITH PROPOSAL

CITY OF VISALIA  
Ownership Disclosure for Contractors and  
Consultants

**NAMES OF PRINCIPALS, PARTNERS, AND/OR TRUSTEES:**

Firm Name: Forcum/Mackey Construction, Inc.

Firm Address: 15695 Jasmine Ave Ivanhoe, Ca 93235

List the names of all principals, partners, and/or trustees. For corporations provide names of officers, directors and all stockholders owning more than 10% equity interest in corporation:

Joe Mackey, CEO  
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Submitted by: Name: Joey Mackey, President   
Date: 9/30/22