

Resolution

City of Ballwin, Missouri

INTRODUCED BY

ALDERMEN UTT, FINLEY, STALLMANN, ROACH, FLEMING, LEAHY, KERLAGON, BULLINGTON

A RESOLUTION APPROVING THE AWARD OF A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$10,653,000 WITH WRIGHT CONSTRUCTION SERVICES, INC. FOR THE NEW BALLWIN POLICE STATION.

WHEREAS, the City of Ballwin received competitive bids for the construction of the new Ballwin Police Station and determined that Wright Construction Services, Inc. was the lowest and best bidder.

THEREFORE, BE IT RESOLVED by the Board of Aldermen that the Mayor of the City of Ballwin is authorized to execute a construction contract in the amount of \$10,653,000 with Wright Construction Services, Inc. for the new Ballwin Police Station in the form attached hereto.

PASSED this ____ day of _____, 2022.

TIM POGUE, MAYOR

ATTEST: _____
CITY CLERK



Staff Report

Subject: Construction Contract for New Police Station

Department/Program: Administration/Police

Explanation:

The City recently issued a Request for Proposals (RFP) for construction of the proposed new police station facility on Kehrs Mill Road adjacent to Vlasis Park. The bid specs were produced by the City's owner's representative, Navigate, in conjunction with the architect for this project, JEMA. The bids were due on January 11th. Five bids were received.

The following firms responded to the RFP:

Kozeny Wagner
Wright Construction Services
Hankins Construction
ICS Construction Services
Plocher Construction

The RFP consisted of a base bid for construction of the station as designed, and six alternates (some add alternates and some deduct alternates). The proposals were evaluated primarily on the amount of the base bid. The two lowest bidders were Wright Construction Services at \$10,653,000 and Kozeny Wagner at \$11,046,829 for the base bid. A full list of bids, including both base and alternate costs, is included in your packet.

The two lowest bidders were interviewed on Friday, January 14th. Similar to the other RFP's for this project, the same committee was used to help review the responses and interview the finalists. The committee consisted of myself, Chief Schaeffler, Captain Bergfeld, Finance Officer Keller, and Mayor Pogue, as well as representatives from both Navigate and JEMA.

After interviewing the two finalists, the committee determined that Wright Construction Services was a viable bid. They have significant experience and have constructed many other police facilities, including the station in Manchester. Therefore, since they were the lowest bidder, the committee recommended awarding the bid to Wright.

One concern that the Board should be aware of is that all of the bids, including the low bid, are over the City's budgeted amount for this project. Currently, the City has budgeted \$10,579,400 for construction which included 13% contingency. You may recall the large contingency was due to volatility and uncertainty in the rising cost of construction and materials. The low bid came in at \$10,653,000. Staff and Navigate recommend accepting none of the add alternates, and one of the deduct alternates, which would bring the final cost down to \$10,573,000. While this amount is technically within our budget, it does not include any contingency. After the standard 5%

contingency is factored in, the total construct cost increases to \$11,101,650. This places the project \$522,250 over budget.

At this time staff still recommends moving forward. As previously discussed, the City is paying cash for the facility. In addition, the City is likely not going to have to use any of its unassigned General Fund reserves to pay for the project. With the cost overruns, it may turn out that we have to dip slightly into unassigned General Fund reserves, but that amount should be minimal, and represent less than 5% of the reserves overall. Enclosed in your packet is an updated funding sheet showing the sources and balances of the funds being used to pay for the project. Any cost overruns will be paid back to the General Fund and/or Infrastructure Fund from Proposition P funding in future years, to ensure that we will not run into shortfalls in other City operations due to these higher than expected costs.

In addition to eliminating the costs from the bid alternates, staff, Navigate, and JEMA are also working on other possible cost reductions for the project. There likely won't be any major savings without reconfiguring or shrinking the building, which likely will not be feasible to do while still meeting the needs of the department. However, we may be able to identify some smaller measures that will help reduce the cost overrun. Those will be brought forward at a future date if/when identified.

Lastly, in the bid each contractor was asked to provide a timeline of how many days they expect to need to complete the project. The responses ranged from 420 days to 540 days. Wright, the recommended low bid, was also the lowest on expected timeline at 420 days.

Recommendation:

Approve the resolution to approve the contract with Wright Construction to provide construction services to the City for development of a new City of Ballwin police facility.

Submitted By: Eric Sterman

Date: 1/18/21

Police Station Funding

updated 1-18-22

Anticipated restricted fund balance for Public Safety as of 12/31/21	\$2,303,086
Anticipated allocation of public safety funds 2022	<u>695,000</u>
Total Public Safety Funds	2,998,086
Anticipated committed fund balance for infrastructure as of 12/31/21	3,725,490
ARPA fund distribution	6,070,114
Expected available funds	<u><u>\$12,793,690</u></u>
Expected project costs 2022-2023	<u><u>\$12,855,192</u></u>

Note: Increasing the amount to repay from the Public Safety Tax fund to cover increased construction costs will extend the repayment period to 7 years.