



HISTORIC
FRANKLIN
TENNESSEE

ITEM #15
BOMA
05/14/13

MEMORANDUM

April 12, 2013

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator *Eric*
Brad Wilson, Facilities Project Manager

SUBJECT: Consideration of Bid Award to R.G. Anderson Company Inc. in the amount of \$3,828,500.00 (three million eight hundred twenty eight thousand five hundred dollars and no cents) for the construction program of the City of Franklin Public Works complex located at 124 Lumber Drive. (COF 2012 – 0185).

Purpose

The purpose of this memorandum is to provide information to the Board of Mayor and Aldermen (BOMA) to consider the award of the contract for the construction of the Public Works Facility located at 124 Lumber Drive in Franklin to R.G. Anderson Company Inc. in the amount of \$ 3,828,500.00.

Background

A priority project identified in the City's approved Capital Investment Process (CIP) is the consolidation of public works operations including Water Management, Streets (including Stormwater Maintenance) and Fleet Maintenance into one location/facility. A consolidated public works facility will create greater opportunity for increased efficiency across operations while utilizing existing personnel and equipment. One centralized location will allow consolidation of services, resulting in more efficient use of space. Equipment such as backhoes and dump trucks can be shared. A modern, appropriately-sized Fleet Maintenance facility will enable the City's mechanics to service large equipment at a significant savings, since currently some large equipment cannot be fully serviced due to the space constraints at our current facility. In addition, the 15-acre site at 124 Lumber Drive (the former 84 Lumber location) provides sufficient space to expand operations as the growth of the city of Franklin warrants it.

On August 8, 2011 BOMA approved resolution 2011- 43 "A Resolution Declaring Intent To Purchase 84 Lumber Property, 124 Lumber Drive." With the input of staff from the three departments that would be moving to the new location, Lambe and Associates, along with a general contractor, prepared a preliminary budget of \$2,469,000.00 On January 10, 2012, the purchase of the property was completed at a cost of \$2.35 million. The city entered into a professional services contract for design service on January 28, 2012 with Lambe & Associates.

The facility design for the seven and one-half acres took roughly eight months to complete due to numerous meetings with stakeholders and their staffs, the facilities group, and the architectural and engineering groups. As requested by the Board, we developed a LEED- type, sustainable facility for the city that will reach a LEED standard but will not go through the commissioning process to be publicly identified.



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

The design allows for the modification of existing structures on the site to meet our current needs. The first building at the entrance to the site is currently 7,250 square feet. Plans call for an additional 6,000 square feet of floor space added as a second level for staff offices. The large open bay will be redesigned as office space and inventory control areas for our Water department. The second facility, a large open warehouse, will be redesigned for the cities fleet department, including a larger sign shop for the manufacturer of COF signage, additional office, and storage space for both the fleet and streets department.

On February 12th a mandatory meeting was held for contractors interested in bidding on the facility project. The city entertained roughly ten different contractors, allowing them to walk through, ask questions, and email questions to the architect concerning the bid. On March 14th four (4) contractors presented their bids. Only three bids were accepted. Bids were formally opened from Baron, R.G Anderson, and Romach construction companies. Bids were read aloud along with the requested alternates. Between the first and second bidder there was less than three percent difference in price, and between the second and third bidder there was roughly three percent difference. With that, Facilities and the architectural group felt we had a tight set of specifications and plans, and we had a good hard bid.

Baron Construction was the low bidder based on the lump sum calculations, but what set them apart from R.G. Anderson was the determination and acceptance of the requested alternates. The alternates decided upon for the project determined the contractor that would be accepted. The alternates totaled between Baron (\$629,124) and R.G. Anderson (\$517,500) for a difference of (\$111,624.00), which made R.G. Anderson the low bidder for the project. Please see the attachment for line item breakdown and a description of the alternates. Alternates included in the price are painting of interior concrete masonry unity (CMU) walls, lightning protection, a new open shed, building three enclosure (for the vacuum trucks), and asphalt repairs to the base and recapping of the back of the property.

In November of 2012, the construction contract for the access road was awarded as a cost of \$785,000. Construction is underway this spring with completion of the access road expected by late summer of 2013.

Total project cost (as seen on the attachment) totals \$ 4,375,030. This number includes the lump sum bid number, alternates, and owner's contingency (\$75,000). Please see bid summary below:



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

Consolidated Public Works

Project # 2012 – 0185

	BARON CONST	RG ANDERSON	ROMAC	ARRIVED LATE
Lump Sum	\$3,233,814.00	\$3,311,000.00	\$3,498,000.00	\$0.00
Alternate 1	na	Na	Na	
Alternate 2	na	Na	Na	
Alternate 3	\$24,854.00	\$17,000.00	\$16,900.00	
Alternate 4	\$0.00	\$0.00	\$0.00	
Alternate 5	\$32,901.00	\$27,000.00	\$37,000.00	
Alternate 6	\$125,151.00	\$128,500.00	\$148,000.00	
Alternate 7	\$152,426.00	\$161,000.00	\$190,000.00	
Alternate 8	\$293,792.00	\$184,000.00	\$240,000.00	
Alternate 9	\$0.00	\$0.00	\$0.00	
Alternate 10	\$0.00	\$0.00	\$0.00	
Total	\$3,862,938.00	\$3,828,500.00	\$4,129,900.00	\$0.00
Owners				
MTEMC Transformer Upgrade	\$12,000.00	\$12,000.00	\$12,000.00	
Furniture	\$190,100.00	\$190,100.00	\$190,100.00	
Access Control	\$97,200.00	\$97,200.00	\$97,200.00	
Cameras	\$50,000.00	\$50,000.00	\$50,000.00	
Generator	\$39,000.00	\$39,000.00	\$39,000.00	
Appliances	\$6,000.00	\$6,000.00	\$6,000.00	
IT Switch Platform	\$51,980.00	\$51,980.00	\$51,980.00	
WAP	\$7,150.00	\$7,150.00	\$7,150.00	
Smart TV Conf. Room	\$18,100.00	\$18,100.00	\$18,100.00	
Owner's Contingency	\$75,000.00	\$75,000.00	\$75,000.00	
Total	\$546,530.00	\$546,530.00	\$546,530.00	\$0.00
Grand Total	<u>\$4,409,468.00</u>	<u>\$4,375,030.00</u>	<u>\$4,676,430.00</u>	<u>\$0.00</u>



HISTORIC
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TENNESSEE

MEMORANDUM

Project budget summary:

Property acquisition	\$2,354,788.11
Access Road	785,276.42
Construction bid with alternates	<u>4,375,030.00</u>
Total Project cost	\$7,515,094.53

Financial Impact

Initial financing, as approved in the CIP program, will be paid through the General Fund. The CIP funding plan included \$5.5 million of General Fund-supported capital. Additional funding will come from the Stormwater special revenue fund and Water Management enterprise funds in accordance with their pro rata use of the new facility. Discussions are underway with our financial advisory firm regarding the best method of financing the project, given the potential for substantial reimbursement from the sale of capital assets. Consideration is being given to a debt issue that is shorter in length than the fifteen to twenty year horizon in our normal bond issues. Because the properties known as “the Hill”, which houses our Water Administration staff and our Fleet division, and the current home of the Street Department on Southeastern Parkway will become surplus property, it is anticipated that those properties will be sold within a few years of the transition to the new location. The proceeds of that sale, the amount of which is difficult to predict in advance, may be applied to the outstanding balance of any borrowing necessary to fund the new facility. Because of the uncertainty of the timing of the sale, staff will likely be recommending a debt issue with a shorter maturity and the ability to prepay the debt without penalty.

Recommendation

Approval of a contract award with R.G. Anderson Company, Inc. for the build-out of the new City of Franklin Public Works Facility with selected alternates is recommended.

