

# Moraga-Orinda Fire Protection District



## BOARD OF DIRECTORS SPECIAL BOARD MEETING MINUTES

March 21, 2018  
(Approved April 18, 2018)

### 1. Opening Ceremonies

The Board of Directors convened in Open Session at 8:10 P.M. on March 21, 2018 at the Hacienda Mosaic Room, Moraga, California. President Barber called the meeting to order. Present were the following Directors and Staff:

President Barber	Director Jex	Gloriann Sasser, Admin Services Director
Director Anderson	Director Jorgens	John Truxaw, District Counsel
Director Famulener	Dave Winnacker, Fire Chief	Patricia Edwards, Interim District Clerk

### 2. Public Comment

There was no comment from the public.

### 3. Special Calendar

#### 3.1 Adopt Resolution No. 18-06 Awarding the Fire Station 43 Construction Contract to Sausal Corporation in the Amount of \$3,812,000 and Approval of Capital Projects Fund Budget Adjustment Increase in the Amount of \$930,590

Chief Winnacker presented information to the Board regarding the awarding of a contract for Fire Station 43 construction and a Capital Projects Fund budget adjustment increase. In January 2018, the District held a pre-approval process that resulted in nine contractors being pre-approved to bid on the Fire Station 43 project. On March 5, 2018, the District held a bid opening for the Fire Station 43 construction project. Bids were received from: Sausal Corporation - \$3,812,000; Alton Construction - \$3,908,000; 100- Villa - \$4,159,111; and Gonsalves & Stronck - \$4,307,000. On March 6, 2018, the District issued a Notice of Intent to Award to Sausal Corporation in the amount of \$3,812,000. Following the Notice of Intent, the Sausal Corporation submitted the required documents in a timely manner. Legal counsel reviewed the required documents and approved as to form with one exception. The insurance policy submitted by Sausal contains a 10-day cancellation notice if the cancellation is caused by non-payment of the premium. This does not meet the 30-day cancellation specification included in the District's General Conditions. Legal counsel recommends that the Board waive the 30-day requirement as this appears to be the new insurance industry standard. Staff recommends that the Board accept this provision and waives the requirement for a 30-day cancellation notice provision contained in the District's General Conditions with respect only to a cancellation of the Sausal insurance policy based upon non-payment of the premium. Staff also recommends that the Board adopt Resolution 18-06 Awarding the Fire Station 43 Construction Contract to Sausal Corporation in the Amount of \$3,812,000 and Approval of Capital Projects Fund Budget Adjustment Increase in the Amount of \$930,590.

Chief Winnacker noted that counsel reviewed the bidding process and recommended substantive changes: all bonding insurance be received and reviewed before Board review; and that pre-qualification process occur prior to accepting bids. These items were completed in December/January in conjunction with a constructability review to address concerns regarding whether the plans as written were buildable. Chief Winnacker worked with Scott Ritter, Senior Vice President for Consolidated CM (the Project manager), and SKA, the architect, to clean up the plans and eliminate the change orders which had accumulated. The review with counsel was exhaustive and he assured the Board that the bonding and insurance are intact. Chief Winnacker stated that he spoke with construction managers and public works directors whom he knew who have either used Sausal for past projects or are currently involved with Sausal and they all recommended Sausal. Sausal has a long history of projects in the area and is currently involved in nine government projects. The Board has until March 25, 2018 to award the contract.

Director Anderson asked if Sausal's bonding was adequate to cover all of their projects. Chief Winnacker responded affirmatively and stated that the item was reviewed by counsel. President Barber asked if Chief Winnacker had spoken with any of the people involved in current Sausal projects. The Chief responded that he had spoken with three of them who recommended Sausal. Director Jorgens asked if some of the items that the District had paid for (generator, rebar, etc.) will

be included. Chief Winnacker responded that the generator and switching gear are held by MOFD and will be delivered to the site to be installed by Sausal. The contract includes these items as owner furnished/contractor installed. The contractor will determine if the Mission City rebar cages will be used. If Sausal decides to use cages of their own design, the District can either pay for storage or recycle the Mission City cages. The cages are worth \$10,786. Specific to equipment which was previously purchased, the switch gear and generator will be used in the project and were deducted from the contract.

Chief Winnacker discussed several items raised by the Board. The contingency will be used to cover change orders. Chief Winnacker stated that, as Fire Chief, he has the authority to authorize up to \$20,000 for change orders. Some number of change orders are typical. The intent of the request for the contingency included in the Resolution is that the Chief will be able to authorize minor change orders without convening a special Board meeting. No one else is authorized to obligate the District to expend funds. Mr. Ritter stated that their objective is clean change orders. Chief Winnacker stated that if the contractor does not pay their insurance premium within ten days of the due date, they will be in violation of the contract and default. Director Jorgens asked what types of insurance are included. Mr. Ritter noted that insurance includes general liability, automobile, and Workers Comp. Director Jex noted that it would be unusual not to pay the insurance premium. Chief Winnacker stated that the manager's contract requires weekly meetings. The objective is to ensure that the project proceeds at the agreed upon pace and completion within the 365-day contract scope. Director Jorgens wants to ensure that the contract will be enforced. Chief Winnacker assured the Board that the same level of engagement will be maintained. The contract start date is within one day of notice of the award of the contract. Chief Winnacker expressed confidence that the change orders will be kept to a minimum and that issues will be addressed early and often. He stated that, as the project develops, some change orders can be beneficial. Director Jorgens asked if previous issues with the contract have been eliminated. Chief Winnacker responded that discussions were had with the project manager, construction manager, and architect to review the plans and eliminate unbuildable elements or change orders that did not make sense. He remarked that they now have a clean set of plans. Director Famulener asked who drafted the contract as it is not on MOFD letterhead. Chief Winnacker stated that MOFD's counsel drafted the contract. John Truxaw, District Counsel, responded that the contract will be signed by MOFD's counsel.

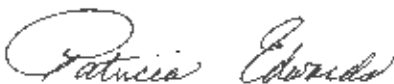
President Barber opened the item to public comment. There was no public comment.

Director Jorgens questioned what will be left in the Capital Fund Balance. Ms. Sasser responded that, if the project is completed by June 30, 2019, there will be \$4,875,000 in the Capital Fund Balance.

Director Famulener's motion to adopt Resolution No. 18-06 awarding the Fire Station 43 Construction Contract to Sausal Corporation in the Amount of \$3,812,000 and Approval of Capital Projects Fund Budget Adjustment Increase in the amount of \$930,590 was seconded by Director Anderson. Said motion carried a unanimous 5-0 roll call vote (Ayes: Anderson, Barber, Famulener, Jex, and Jorgens).

#### 4. **Adjournment**

At 8:37 P.M., President Barber called for adjournment of the special meeting.



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Interim District Secretary/Clerk