

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

DATE: JUNE 28, 2022

TO: BOARD OF DIRECTORS
Lake Arrowhead Community Services District

FROM: MICHAEL THORNTON, District Engineer

CATHERINE CERRI, General Manager

SUBJECT: CONSIDER APPROVING CONTRACT WITH H.E. HAMMER CONSTRUCTION FOR THE DISTRICT CORPORATE YARD PROJECT NO. 177

A. RECOMMENDATION

It is recommended that the Board of Directors approve a contract with H.E. Hammer Construction Corp. for \$386,952 to furnish and install insulation, snow guards and exterior doors and windows and to install the metal building for the Corporate Yard Project No. 177 and authorize the General Manager to approve change orders in the field up to 10%.

B. REASON FOR RECOMMENDATION

The project has sufficiently proceeded to the point where we can order certain materials. District staff have extensively researched the pricing to ensure we are receiving the best value possible. These prices include installation at prevailing wage rates. In a prior award to the same contractor, an estimate of \$150,000 for materials was included. The storefront glass and snow guards were not included.

Material prices have increased significantly, especially for steel and windows. Fortunately, the District was able to realize discounted pricing due to the quantity being ordered. H.E. Hammer did not change their markup for any of the material price increases. The District is also realizing a savings by contracting with H.E. Hammer directly.

In order to meet Title 24, the county changed the insulation in the roof which added some additional cost. There have also been four prevailing wage rate changes since the last award along with fuel and equipment price increases. The table below includes the price breakdown.

Description	Quantity	Price
Steel roll-up doors	10	\$ 97,340
Exterior metal doors	9	\$ 54,325
Windows and glass doors	24	\$152,287
Snow guards & louvers		\$ 47,512
Total Materials		\$351,464
Material estimate		-\$150,000
Total Materials		201,464
Insulation (estimated)		\$ 41,624
Prevailing wage, fuel, equipment cost increases		\$143,864
Total Building Installation		\$185,488
Grand Total		\$386,952

C. BACKGROUND

On February 23, 2021, the Board of Directors awarded a contract to H.E. Hammer for the erection of the building and a portion of the materials for \$689,000. Originally, the doors and windows were going to be provided by the general contractor but, because H.E. Hammer provided better pricing, these materials were moved to this vendor. It was also recommended by the general contractor that the building erector should also install the exterior doors and windows to ensure a proper seal and warranty. A cost of \$509,687 for the building erection and an estimate of \$150,000 for doors and windows and \$29,313 for insulation was included with the original award.

D. FISCAL IMPACT

Approval of this contract will cost \$386,952. With the prior award, the total contract to H.E. Hammer will be \$1,075,952 and will be charged to Project #177. The Fiscal Year 2022/2023 Budget includes \$6,000,000 for this project. Separately, the general contractor was awarded \$3,232,642. The two combined contracts total \$4,308,594.

E. ENVIRONMENTAL IMPACT

In 2018, an Administrative Addendum to the Initial Study was prepared documenting the reduction in square footage from the Initial Study and Mitigated Negative Declaration prepared in 2007 under State Clearing House #2007091061.

F. ATTACHMENTS

- Doors and windows schedule

Doors and Windows Schedule

Description	Quantity	Width	Height	Depth
Exterior window w/door frame	1	3' - 5"	8' - 6"	7 1/4"
Exterior window w/door frame	1	9' - 0"	8' - 6"	7 1/4"
Exterior window w/door frame	1	5' - 0"	8' - 6"	7 1/4"
Exterior window w/door frame	1	6' - 4"	8' - 6"	7 1/4"
Exterior double glass doors	1 pair	6' - 0"	7' - 0"	
Exterior glass door	2	3' - 0"	7' - 0"	
Exterior windows	6	5' - 0"	5' - 8"	7 1/4"
Exterior windows	3	4' - 0"	5' - 8"	7 1/4"
Exterior windows	1	9' - 4"	5' - 8"	7 1/4"
Exterior windows	1	8' - 0"	5' - 8"	7 1/4"
Exterior windows	1	5' - 0"	9' - 10"	7 1/4"
Exterior windows	1	7' - 4"	8' - 6"	7 1/4"
Exterior windows	3	5' - 0"	2' - 4"	7 1/2"
Exterior windows	1	13' - 0"	8' - 6"	7 1/4"
Steel rollup doors	10	12' - 0"	12' - 0"	
Exterior hollow metal door	8	3' - 0"	7' - 0"	1 3/4"
Exterior double metal door	<u>1 pair</u>	4' - 0"	7' - 0"	1 3/4"
Total doors and windows	43			