



## Legislation Text

**File #:** 18-237, **Version:** 1

Approve a resolution designating R & M Steel Company as the supplier of building materials for T-Hangars and a Shop Building for the Nut Tree Airport T-Hangar Project for approximately \$319,000

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services recommends that the Board approve a resolution designating R & M Steel Company (Caldwell, Idaho) as the supplier of building materials for T-Hangars and a Shop Building for the Nut Tree Airport T-Hangar Project (Attachment A).

### **SUMMARY:**

The Nut Tree Airport T-Hangar Project is currently in the design phase and construction of the project is anticipated to begin summer 2018. The County recently conducted a qualifications-based solicitation for aircraft T-Hangar and steel building manufacturers. The purpose of the solicitation was to evaluate hangar and steel building manufacturers and allow the County to designate a building supplier for the T-Hangar project pursuant to Public Contract Code.

Designating a specific hangar manufacturer in the bidding of the T-Hangar Project will allow the County to achieve a high level of quality control on the hangar buildings and provide engineered building and foundation designs concurrent with the solicitation of project bids. Complete engineered project designs will assist contractors with a clear basis for more accurate cost estimating and competitive bidding and assist the County in achieving feasible construction costs. Once constructed, the new County hangars will become additional airport rental properties and project development cost must be in balance with competitive hangar rental rates and sufficient revenues generated by the project. Revenue from the new County hangars will be used to support project financing and loan payments on the project.

Three manufacturing companies responded to the County's solicitation and the County assessed each manufacturer utilizing an extensive competitive rating and point system. As a result, staff determined R & M Steel Company of Caldwell, Idaho to be the most competitive and best qualified company to supply steel buildings for the County T-Hangar Project.

Hangar spaces at the Airport are at 100% occupancy. There are currently 35 people on the County hangar waiting list. The County has received deposits on 22 of the 26 T-Hangars planned for the project.

### **FINANCIAL IMPACT:**

The recommended action is to designate R&M Steel Company as the building supplier on the County hangar project. R&M Steel demonstrated a 30% lower cost per square foot compared to other competing hangar manufacturers. The R&M Steel buildings will cost \$319,000, but subject to mark-up and installation costs by contractors during the competitive bidding process. The project buildings will be designated within the construction bid documents for the purpose of engineering designs and specification, but will be purchased

directly by the construction contractor following the bidding process and Board approval of the construction contract. Total cost on the County hangar project is currently estimated at \$1,850,000 and is included with the requested Airport Budget for FY2018/19.

### **DISCUSSION:**

California Public Contract Code section 3400 prohibits an agency from specifying a specific brand or trade name in the specifications for bids for the construction of a public project unless the awarding authority makes certain findings, including, in order to match other products in use on a particular public improvement either completed or in the course of construction. The County Purchasing and Contracting Policy Manual allows for standardization of materials for the purpose of an organized process of establishing agreements on specific quality, design, and size. (section 1.1.12). As the T-Hangar project is being designed and prepared for bidding, staff recognized the importance of specifying the building, foundation and footing designs, and that without specifying a particular hangar, project specifications would be limited, and potential bidders could propose pre-engineered hangars of greatly varying quality, and with different foundation and footing specifications, thereby inserting potential delays and costs associated with revising project plans and specifications to match the proposed hangars.

In an effort to coordinate the final plans and provide certainty when bidding the Project, staff issued a Request for Qualifications to pre-qualify and designate a specific manufacturer/supplier of the T-hangars for this project. Three manufacturers responded to the County's solicitation through the submittal of a lengthy questionnaire and supplemental information. The County's evaluation was conducted utilizing a point and ranking system based on the responses and information provided by each manufacturer. A third party review of the responses and supplemental information was also conducted for the County by Contra Costa County Airports staff. Several reference checks and assessments on each manufacturer were conducted by the County and included site visits to other airports to review existing hangars supplied by each manufacturer. The final results of the evaluations and manufacturer rankings are summarized in Attachment B. Each manufacturer was notified on the results following the evaluation process.

R&M Steel Company of Caldwell, Idaho, is recommended as the best qualified and most competitive hangar building manufacturer. Key aspects of R&M Steel's qualifications and ranking includes building cost, manufacturing time and length of warranty. R&M Steel demonstrated a 30% lower cost per square foot and can produce the project buildings within 85 days. R&M Steel provides a 40 year warranty on steel coatings and durability. R&M Steel has produced T-Hangars and other steel buildings since 1969 and produced 34 T-Hangar buildings between 2010 - 2017. R&M Steel has a positive reputation regarding the quality of aircraft hangars produced and developed at other airports.

The T-Hangar project site is approximately 2-Acres and the project will include 26 T-Hangar units contained within two buildings for a total of 28,600 square feet. The County is also considering an additional 2,400 square foot steel airport maintenance shop building to support airport operations for inclusion with the project depending on cost.

### **ALTERNATIVES:**

The Board could choose not to approve the resolution designating R&M Steel as the building supplier. This action is not recommended since the designation will assist the County in developing a financially feasible airport rental and economic development project satisfying the public purpose and is in compliance with Public Contract Code 3400(c).

### **OTHER AGENCY INVOLVEMENT:**

Staff consulted with County Counsel during the solicitation process. County Counsel also reviewed and approved the recommended resolution as to form and compliance with Public Contract Code requirements. The Nut Tree Airport Advisory Committee reviewed the County's evaluations and conclusions during the Committee's February 2018 meeting and concurred with the recommended action. Contra Costa County Airports staff assisted with reviewing the qualifications of manufacturers and concurred with the County's ranking

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION