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## MEMO

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Date : May 12, 2015

To:  
Mr. Chris Ford  
BRW Architects

Fr:  
Brad Saylor  
Saylor Consulting

### **Re: FS 03 cost review**

Dear Mr. Ford,

Pursuant to your I am issuing a memo to provide narrative that aggregates information on the cost impacts of certain proposed changes to the Alameda FS 3 and operations center.

My comments are based on review of the proposed changes. I am considered an expert in fire station construction cost. I have estimated more than 100 fire station projects and am currently providing construction management services to the city of San Francisco and SFFD on the 2010 and 2014 fire station seismic safety program.

My assessment of the changes proposed for FS 3 is that the changes could be accomplished, but at greater cost than the city would pay by simply accepting the current bids that have been received.

The current bids totaling roughly \$7.5 million are a fair and reasonable price for the project, as currently designed. My opinion is that if the bids lapse and project is rebid, the price may be 10%-15% higher. The reason for this is the tightening of the market since the initial advertisement and large volume of educational work put under contract by both the low bidder and runner up in the past few months. Subs may suffer bidder fatigue and not bid the project in the future, causing a competitive disadvantage for the owner.

The bay area is currently in what is termed as a "sellers market" for construction. Bay area GDP expanded at 2x the national rate, and this has led to capacity shortages in several skilled trades, corresponding to higher margins for subcontractors. Annual escalation has crossed 5%, for the first time since 2004. Accordingly, time is of the essence with respect to avoiding additional escalation costs. A 1 year delay would add approximately 6% to the already mentioned 10%-15% premium. If the project were rebid in 12 months the city can expect to pay \$1.5 to \$2 million extra, for exactly the same design.

Re: 6-C  
5-19-15



*Memo FS 3 review*  
*05-12-15*

Looking at the proposed changes, the redesign of the fire station and operations center, I am of the opinion that the combination of the two buildings would certainly add cost. The reason for this is that essential services buildings have strict story drift criteria. The buildings must be exceedingly stiff to protect against seismic movement. As buildings get taller and heavier, they get harder to stiffen. This problem is exacerbated by having the operations center placed over a 20' tall apparatus bay. To mitigate seismic forces, a special steel moment frame design must be undertaken. My experience with this system on another 3 story fire station is that the weight of the frame doubled from 16#/SF to 32#/SF, adding \$700K+ to a 13,000SF station. This is far more add than the savings realized from the roof and foundations by going to a single building. The elevator savings is somewhat offset by the addition of 2 hr rated stair towers. The combination of uses also presents operational issues. Redesign fees would also be costly, as much as \$600,000.

Given the favorable bids received, and large implementation costs, the changes would make sense only if there is a tremendous operational benefit toward combining the buildings. My opinion is that the change would not be recommended based on first cost or lifecycle cost considerations.

Should you have questions on the above, please contact me at 415-291-3200.

Regards,

A handwritten signature in dark ink, appearing to read 'Brad Saylor', with a stylized, cursive script.

Brad Saylor