

# Agenda Items

Regular City Council Meeting

**Meeting Date:** 08/27/2018

**TITLE:** W.O. 18-34 Mountain View Boulevard Rock Removal Contract Award

**PRESENTED** David Mumford, Public Works Director

**BY:**

**Department:** Public Works

**Presentation:** No

### **PROBLEM/ISSUE STATEMENT**

On June 26, 2018, a large section of rocks from the rims fell onto Mountain View Boulevard. There is remaining rock on the rims that is unstable that must be removed before the road can be restored. In addition, the rocks that fell previously need to be stabilized before rocks on the road can be moved. At the July 9, 2018, City Council meeting, a resolution was approved declaring the situation an emergency which allows the city to award a contract without going through the bid process. Staff sent plans to eight MDT prequalified rock slope contractors throughout the country asking for quotes to complete the work as specified.

Quotes were received August 17, 2018, from two contractors and GeoStabilization International (GSI) submitted the lowest responsible quote. There was a very wide spread between the two quotes which would normally raise some concern. However, GSI worked with the city on Zimmerman and 6<sup>th</sup> Ave N in 2014 and are very familiar with this area and the work involved. They visited the site multiple times and have a plan for how to accomplish the work.

### **ALTERNATIVES ANALYZED**

The Council may:

- Award a contract for W.O. 18-34 Mountain View Rock Removal to GSI in the amount of \$378,850.00, or
- Reject all bids, which would delay the restoration of Mountain View Boulevard.

### **FINANCIAL IMPACT**

The following quotes were received and evaluated:

<b>CONTRACTOR</b>	<b>BASE QUOTE</b>
GeoStabilization International	\$ 378,850.00
Triptych Construction LLC	\$ 1,292,550.00

The project is being funded through a combination of street maintenance funds and General Fund. General Fund will pay for the rock scaling and stabilization of rocks in the City Park and Street Maintenance will fund the rock removal from Mountain View Boulevard.

### **RECOMMENDATION**

Staff recommends Council award a construction contract for W.O. 18-34, Mountain View Boulevard Rock Removal to GSI in the amount of \$378,850.00.

**APPROVED BY CITY ADMINISTRATOR**

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**APPLICATION FORM FOR TAX REDUCTION  
BUILDING REMODEL, EXPANSION OR RECONSTRUCTION**

(As allowed under Yellowstone County Resolution 02-66, City Council Resolutions 05-18377 and 15-24-1501, MCA)

1. Name of business: Rimrock II, LLC

2.  Building Remodel or Reconstruction: Start of construction (date) 7/1/17

End of construction (date) 6/18/18

3.  Building Expansion: Start of construction (date) \_\_\_\_\_

End of construction (date) \_\_\_\_\_

4. Address of business: 324 So. 24<sup>TH</sup> Street West. P. O. Box 80208, Billings, MT 59108

Actual location of business: 324 So. 24<sup>TH</sup> Street West, Billings MT 59102

Tax Code: A20352A

Within city limits of Billings  YES  NO

5. Person representing business and responsible for application:

Name: Shahzad Latif Title: CFO

Address: P.O.Box 80208, Billings, MT Telephone: 406-655-8600

6. Amount of capital investment for Expansion, Remodel or Reconstruction in Billings / Yellowstone County: \$ 10,010,000.00 (attach detailed costs of materials and labor and dates of construction. County Commissioners and/or City Council may request further information, such as financial statements, business references, or other documents prior to acting on this request).

7. Approximate market value of building prior to remodel, reconstruction, or expansion:

\$ 3,735,000.00

8. Explain business activity – what business does: New & and Used vehicle sales, service, parts,

Body shop, both wholesale and retail for Subaru Franchise

9. How long has this business been located in Billings and/or Yellowstone County?

17 Years

10. As of the date of this application, how many employees does the business have:

71 Full-time 4 Part-time

11. How many employees will the applicant have within 2 years after completion of construction:

19 Full-time 6 Part-time

12. Describe job skills required for all new employees both full and part-time: Product knowledge, Communication, time management, technical auto skills in vehicle repairs. Management of employees and sales skills.
13. What is the hourly pay scale of both full and part-time employees to include benefits (New Employees only): \$8.15 to \$120.00 per hour
14. Other Economic impacts of capital investment: Increase of 8-10 sales people, 6 technicians 1 service writer, 1 parts counter person, 1 sales manager. Revenue increases \$3.5 million
15. Planned hiring schedule: 8 Sales people, 2 counter person and 3 technicians have been hired and remaining in the process to be hired.
16. List other property tax benefits business currently receives or has applied for: None
17. Building permit (attach copy or explain absence): BP-17-02833
18. A non-refundable fee of \$500 must accompany this application to cover the cost of application administration. Make checks payable to the Big Sky Economic Development Authority.
19. Upon full completion and accompanied by the application fee, the original application can be submitted to the Big Sky Economic Development Authority, Attn: Patrick Klugman, 222 N. 32<sup>nd</sup> Street, Suite 200, Billings, Montana 59101 (telephone 256-6871). If the application is complete, a duly advertised public hearing will be scheduled, after which the Commissioners and/or City Council, in their discretion, will decide whether to approve or deny the application. The applicant, or a representative of the applicant, must appear in person at the public hearings.
20. The application to the Department of Revenue, which is part of this application, must also be completed and signed by the applicant.
21. The Board of County Commissioners and/or City Council may review this applicant's tax incentive program at any time and terminate further reductions at their discretion if they find the provisions of Resolution are not being met.
22. If application is approved, applicant will comply with the following provisions. Failure to comply may lead to the previously approved tax abatement being rescinded:
- i. Provide copy of Occupancy Certificate and/or Certificate of Substantial Completion
  - ii. Annual Survey to be completed and returned to Big Sky EDA by June 30 of each year
  - iii. Remain current on all property taxes on the subject property
  - iv. Notify Big Sky EDA of any ownership changes or change of use of the facility

- v. Comply with any other provisions set by the Board of County Commissioners and/or City Council
- 23. In order for this incentive program to apply to the applicant's current year taxes, Yellowstone County must receive the properly completed application by March 1<sup>st</sup> of the year in which the reduction is desired. If within the city of Billings, City Council must approve the application by March of the year in which the reduction is desired.
- 24. Signature of applicant/representative: President
- 25. Date of application: 8/15/2018
- 26. County Commissioner's Public hearing held (date): \_\_\_\_\_
- 27. City Council's Public hearing held (date): August 27, 2018, at 5:30 p.m. - City Council Chambers

Recommendation by the Big Sky Economic Development Authority:

Approve       Deny      Signature: [Signature]      Date: 8-15-18

County Board of Planning or Laurel-Yellowstone City-County Planning Board certifies that business conforms to zoning regulations:      Signature: \_\_\_\_\_      Date: \_\_\_\_\_

If a non-public water or sewer system is used (i.e., septic tank and water well) County Health Department certifies that system conforms to acceptable standard, or will do so on completion of construction:      Signature: \_\_\_\_\_      Date: \_\_\_\_\_

County Treasurer's Office certifies that City and County taxes have been paid in full or otherwise satisfied:      Signature: \_\_\_\_\_      Date: \_\_\_\_\_

City Finance office certifies that the business has applied for the appropriate City business license:      Signature: \_\_\_\_\_      Date: \_\_\_\_\_

**Action by Billings City Council (if applicable - project within City limits):**

\_\_\_\_\_ Approve      \_\_\_\_\_ Deny  
Date: \_\_\_\_\_

CITY OF BILLINGS  
By: \_\_\_\_\_

ATTEST:  
By: \_\_\_\_\_  
Name      Title

Application Complete  
 Name: Patrick Klugman  
 Date: 8-22-18  
 Signature: [Signature]

CITY OF BILLINGS  
BUILDING DIVISION  
2825 3RD AVENUE NORTH, 4TH FLOOR  
BILLINGS, MT 59101  
Office: (406) - 657-8270  
Fax: (406) - 657-8252

PERMIT # BP-17-02833

Type: COM NEW STORE/STRIP CENTER

Date Issued: 08/23/2017  
Job Address: 324 S 24 ST W  
Legal Description: RYAN SUBD, S12, T01 S, R25 E, BLOCK 2, Lot 3B, AMD

Owner: RIMROCK II LLC  
Contractor: JONES CONSTRUCTION, INC  
Description of Work: TEAR DOWN 3 BUILDINGS TO CONSTURCT NEW RIMROCK SUBARU ROOF TRUSSES DEFERRED DEFERRED SUBMITTAL ENGINEERED TRUSSES. KPAID FOR 8/22/17

**Information:**

Const. Type: II-B  
Occupancy: B & S-1  
Sq. Ft. Main: 31023  
Other Levels: 2943  
Occ. Load Main Use: 223

Height: 25'  
Stories: 2  
Sprinklers: YES - NFPA 13

Special Conditions: Please call for inspections for all Storm Water Connections to the City's Storm System, Trench Excavation, Inlet Installation, Backflow Preventer Installation, Storm Water Retention Ponds & Boulder Pits Construction. Engineering Department ? 247-8638 or 657 ? 8231.

**Fees:**

20ZONING COMPLIANCE FEE COM:	\$20.00
BUILDING PERMIT FEE-COM:	\$10,639.50
DEFERRED SUBMITTAL COMMERCIAL:	\$100.00
DEFERRED SUBMITTAL COMMERCIAL:	\$100.00
ENG - PLAN REVIEW FEE - COMM/MULTI (>= 1 ACRE):	\$400.00
ENV - PLAN REVIEW FEE - COMM/MULTI (>= 1 ACRE):	\$400.00
PLAN CHECK-COM:	\$6,915.68
SEWER SYS DEVELOPMENT FRANCHISE FEE:	\$195.20
SEWER SYSTEM DEVELOP FEE:	\$4,880.00
Total Fees:	\$23,650.38

Valuation Used (may be higher or lower than actual): 4434979.21

COMPLIANCE WITH THE REQUIREMENTS OF THE STATE BUILDING CODE FOR PHYSICAL ACCESSIBILITY TO PERSONS WITH DISABILITIES DOES NOT NECESSARILY GUARANTEE COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, THE REHABILITATION ACT OF 1973, THE FAIR HOUSING AMENDMENTS ACT OF 1988, TITLE 49, CHAPTER 2, COMMONLY KNOWN AS THE MONTANA HUMAN RIGHTS ACT, OR OTHER SIMILAR FEDERAL, STATE, OR LOCAL LAWS THAT MANDATE ACCESSIBILITY TO COMMERCIAL CONSTRUCTION OR MULTIFAMILY HOUSING.

SEPARATE PERMITS ARE REQUIRED FOR ELECTRICAL, PLUMBING, HEATING, VENTILATION OR AIR CONDITIONING, AND ENGINEERING.

THIS PERMIT BECOMES NULL AND VOID IF WORK OR CONSTRUCTION AUTHORIZED IS NOT COMMENCED WITHIN 180 DAYS, OR IF CONSTRUCTION OR WORK IS SUSPENDED OR ABANDONED FOR A PERIOD OF 180 DAYS AT ANY TIME AFTER WORK IS COMMENCED. ALL EXTERIOR WORK MUST BE COMPLETED WITHIN 18 MONTHS.

THE APPLICANT HEREBY AGREES THAT THE PROPOSED WORK SHALL BE DONE IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS AND STATEMENT HEREWITH SUBMITTED AND IN CONFORMITY WITH THE PROVISIONS OF THE CITY ORDINANCE PERTAINING TO THE ERECTION OF BUILDINGS IN THE CITY OF BILLINGS. CURB, GUTTER AND SIDEWALK WILL BE INSTALLED.

**RIMROCK SUBARU:**

<b>BMO Construction Costs</b>	<b>\$ 8,500,000.00</b>
<b>BMO -Subaru Equipment Cost</b>	<b>\$ 1,100,000.00</b>
<b>A&amp;E Architects Fees-Subaru Building</b>	<b>\$ 210,000.00</b>
<b>A&amp;E Architects Fees-Subaru Second Building</b>	<b>\$ 21,500.00</b>
<b>Second Building Construction Cost</b>	<b>\$ 266,989.00</b>
<b>Subaru Building Furniture-Estimated</b>	<b>\$ 200,000.00</b>
<b>Building &amp; Land Cost -Second Building</b>	<b>\$ 1,500,000.00</b>
<b>Total Land &amp; Building Cost</b>	<b><u>\$ 11,798,489.00</u></b>







QUALITY DRIVEN SERVICE

Manny Medina Area Business Consultant  
 Phone (925)297-5086 • Email manny@dealerequip.com

RIMROCK SUBARU DEALERSHIP  
 EQUIPMENT PLAN

Ref	DQ#	Item Group	Total	11.03.17	03.16.18	04.23.18	08.16.18	Availability
1	65605	Rotary Lifts Inground Hoists	145,352.50	-\$143,226.61				-\$59,074.11
2	65608	Hunter Alignment Rack and Instrumentation	58,627.00				-56,732.87	\$1,894.13
3	65617	Eurovent Tailpipe Exhaust Extraction	21,448.00					\$7,528.00
4	65724	Superior Tanks	12,542.00					-\$495.74
5	66184	Central Vacuum	15,844.00					\$6,847.56
6	66718	Roth Tank	886.00					-\$4.77
7	66216	Balcrank Fluid and Air Distribution (Hose Reels and Pumps)	62,896.00					-\$76,331.00
8	66249	Lisa Integrated Technician Workstations	93,126.00					-\$12,700.00
9	66722	Better Engineering	8,678.00					\$8,678.00
10	66723	Special Tool Storage	7,941.00					-\$44.58
11	66724	AME Parts Bins and Shelves	89,834.79					-\$625.00
12	66726	AME Mezzanine	102,848.63					\$102,848.63
13	66727	Hunter Tire Changer	21,461.00					\$605.50
14	66765	Energy Logic Waste Oil Heaters/Macro Air Fans	36,740.00					-\$37,394.76
15	66767	Tomahawk Pressure Washer	3,570.00					\$3,570.00
17	66770	Champion Compressed Air	11,465.00					\$5,999.26
20	68902	Floor Scrubber	7,500.00					-\$554.31
	69279	Hunter Wheel Balancer	17,289.90					\$314.90
	69282	Key Machine	10,583.00					\$10,583.00
	69221	Rotary Lift Bench Mount Control	1,160.00					\$1,160.00
		Car Wash / Car Dryer & related	100,000.00					\$42,355.85
		Waste Oil System	100,000.00					\$89,763.00
		TBD	100,000.00					\$100,000.00
		TBD	70,207.18					\$70,207.18
		<b>Total</b>	<b>1,100,000.00</b>	<b>(143,226.61)</b>	<b>(174,038.00)</b>	<b>(41,516.00)</b>	<b>(439,347.65)</b>	<b>\$301,871.74</b>

*John J. [Signature]*  
 Authorized Signer \_\_\_\_\_ Date \_\_\_\_\_



FEE PROPOSAL v.1  
 Certified refresh  
 January 3rd, 2018

Attachment A  
 17067.00

FEE PROPOSAL v.1

Architectural Services	Design Services	Construction Services	Comments
Schematic Design Phase	\$ -		\$2,800 of SD previously paid
Design Development Phase	\$ 4,000		
Construction Documents Phase	\$ 14,250		
<b>Subtotal - Design Services</b>	<b>\$ 18,250</b>		
Bidding and Negotiation		\$ 400	T&M Est. - Based on GCCM / Jones as General Contractor
Construction Administration		\$ 850	T&M Est. - Based on GCCM / Jones as General Contractor
<b>Subtotal - Proj. Mngmt. Services</b>		<b>\$ 1,250</b>	
<b>Total Architectural Services</b>		<b>\$ 19,500</b>	

Engineering & Consulting Services			
MPE - Mech / Plumbing / Elec	\$ 1,800	Proposal	estimated consultant fee
<b>Total Engineering Services</b>	<b>\$ 1,800</b>		

Reimbursable Expenses			
Printing	\$ 200		To be billed direct at cost
Mileage	\$ -		N/A
Lodging	\$ -		N/A
Food	\$ -		N/A
<b>Total Reimbursable Expenses</b>	<b>\$ 200</b>		<b>ESTIMATED</b>

**TOTAL FEE A&E / CONSULTANTS \$ 21,500**

Landscapes Design	\$ -	Proposal	Included in Civil number above
Interior Design & Furniture	\$ -		NOT INCLUDED
<b>Total Owner-Provided</b>	<b>\$ -</b>		

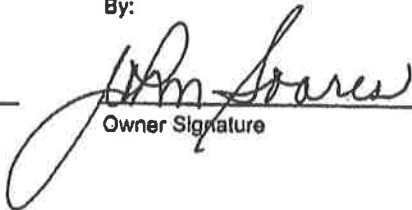
**TOTAL PROJECT FEE \$ 21,500**

NOTE: This reduced proposal is based on the items below.  
 1. GC-CM construction delivery with Jones Construction

From:

  
 Architect Signature  
 04/06/2018  
 Date

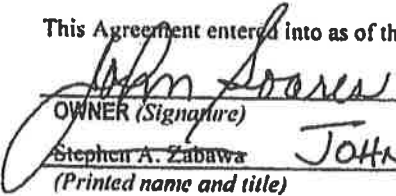
By:

  
 Owner Signature  
 6.5.18  
 Date

|  
|  
|  
*(Paragraph Deleted)*

|  
*(Paragraphs Deleted)*

This Agreement entered into as of the day and year first written above.

  
OWNER (Signature)

Stephen A. Zabawa

(Printed name and title)

ARCHITECT (Signature)

Bill DuBeau, AIA, Principal

(Printed name, title, and license number, if required)

Int.

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User Notes:

(3B9ADA23)



123 Regal Street • Billings, Montana 59101

(406) 252-6298 • Fax (406) 252-4385

## RIMROCK KIA REFRESH BUDGET COST ESTIMATE

General Conditions, Consumables, Equipment Rental	\$ 10,500.00
Building & Site Demolition	\$ 19,445.00
Fencing, Seal Coat, Parking Lot Repairs, Landscaping Cleanup	\$ 29,870.00
Rough Carpentry, Metal Stud Framing, Sheathing	\$ 23,850.00
Membrane Roofing, Insulation, Flashings	\$ 10,900.00
Aluminum Composite Panels	\$ 47,880.00
Metal Soffit Panels	\$ 7,640.00
Exterior & Interior Painting	\$ 23,760.00
Cabinetry Modifications- Retro Kitchen to Coffee Bar, Flooring	\$ 11,557.00
Video System, Cameras, Paging System Allowance	\$ Existing-By Owner
Electrical Modifications	\$ 14,670.00
General Labor & Supervision	\$ 43,450.00
Permits, Plan Review Fees	\$ 3,500.00
General Liability Insurance	\$ 2,500.00
<b>Subtotal</b>	<b>\$ 249,522.00</b>
<b>Profit &amp; Overhead @ 7%</b>	<b>\$ 17,467.00</b>
<b>Total Estimated Cost</b>	<b>\$ 266,989.00</b>
 Architectural/Engineering Fees	 \$ By Owner



# Yellowstone County, Montana

Commissioners Departments Contacts Site Map Home

## Detail Property Tax Information

**Disclaimer:** The tax information was updated on 8/22/2018. Please notify the Treasurer's Office of any inaccuracies. Online Tax Billing History is available from Tax Year 2000 forward. If you wish information for prior tax years contact the Treasurer's Office. [Pay Taxes Online](#)

Tax ID: A20352A Tax Year: 2017

### BILLINGS

Code	District	1st Half	2nd Half	Total
	BILLINGS (Levy District)	16,675.15 P	16,675.14 P	33,350.29
BACF	BACF BLGS ARTERIAL CONST FEE	796.73 P	796.73 P	1,593.46
BLSW	BLSW BILLINGS STORM SEWER	704.64 P	704.64 P	1,409.28
BS#2	BS#2 BLGS STREET MAINT #2	818.68 P	818.68 P	1,637.36
L234	0234 BLGS LIGHT MAINT	219.34 P	219.34 P	438.68
L236	0236 BLGS LIGHT MAINT	130.33 P	130.33 P	260.66
PD01	BILLINGS PARK DISTRICT	264.69 P	264.69 P	529.38
SOIL	SOIL SOIL CONSERVATION	10.60 P	10.59 P	21.19
<b>Totals</b>		<b>19,620.16</b>	<b>19,620.14</b>	<b>39,240.30</b>

Date Paid 11/30/2017 05/21/2018

Close Window