CITY OF COMMERCE
AGENDA REPORT

TO: Honorable City Council **Item No. _____**

FROM: City Administrator

SUBJECT: AWARD OF ARCHITECTURAL AND ENGINEERING (A/E) SERVICES CONTRACT FOR THE DESIGN AND PRODUCTION OF CONSTRUCTION DOCUMENTS FOR THE RENOVATION/TRANFORMATION OF THE NEW VETERANS PARK BUILDING – **Update from September 11, 2018 Measure AA Committee Meeting**

MEETING DATE: OCTOBER 2, 2018

RECOMMENDATION:

It is recommended that the City Council approve the following actions:

1. Consider Measure AA resolution for Steve Craig to pay an architect an amount not to exceed $20,000.00 to provide design options for the City Council and Community considerations.
2. Approve a contract with IDS in the amount of $379,000 to begin work on community and Council workshops to provide comprehensive planning including needs assessment, and identifying future space requirements, develop design options for facility planning of the new building, conduct engineering and environmental feasibility for these options, begin design development.

BACKGROUND:

Veterans Park Building is a 38,000 square foot multi-level building, located at 6364 Zindell Avenue in the City of Commerce. It is used to serve the entire City of Commerce as an indoor sports facility and meeting place. It was constructed in 1971 on a closed landfill. Since this building was constructed on a landfill, it has experienced a variety of settlement and utility breakage issues. The original building also housed a shooting range in the basement that was ultimately closed in 2010, and lead removal work was undertaken for all public areas of the building. The basement was sealed and in insuring health and safety of the residents, Council approved a contract in 2016 to fully remove the lead from the basement. In the course of the lead removal, it was discovered that some lead had travelled outside the basement. Although it did not pose any danger, since none was present in the public areas, City Council, in abundance of caution

approved closure of the building in February 2017 and authorized complete abatement of the building including lead and asbestos.

In May 2017, staff presented options for Veterans Park and an indoor recreation facility. City Council selected the option to utilize the existing building site to develop concepts for the new building. Also, they approved the option to put the gym back in use for the interim purposes while the concept development and engineering design for the ultimate building is underway.

At the March 20, 2018 City Council meeting, the City Council approved as emergency work the 5-year Fire Sprinkler Certification. This work was a requirement regardless of any other work.

At the April 3, 2018 City Council meeting, City Council authorized Staff to issue Request for Proposal (RFP) for Architectural and Engineering Services to develop concept plans and prepare plans and specifications for the selected option for the Veterans Park Building. The concept will evaluate the existing building for different uses, provide space planning, provide options for various façade improvements, assess the possible conversion of the basketball courts to usable space and plan for stabilization of the parking lot and utilities. The selected consultant will be required to work with the City Council and Community in finalizing these concepts, and upon Council approval of a concept, begin work for the final plans and specifications towards the final construction documents. The final building will be analyzed and designed for safe construction on landfill and with the latest seismic codes incorporated in the design.

The proposals were received on May 4th, 2018. Five firms responded to the Request for Proposal (RFP). Staff reviewed and analyzed the proposals based on various evaluation criterions, including:

1) Compliance with the RFP Requirements, Proposal Quality
2) Project Understanding, Approach, Methodology, including responsiveness, flexibility
3) Experience of Assigned Staff, including prior experience of working relationship of key team members in the past
4) Similar Project Experience
5) Schedule Efficiency
6) Cost Effectiveness

After the review of the proposals, IDS Group and Davy Architecture were short listed for interviews. Based on the interviews and the reviewed proposal, and negotiations, staff recommended IDS Group as the most qualified firm. On July, 19th, 2018, IDS Group also presented the proposal to the Veterans Park Building Renovation AD-HOC Committee. The firm provided the Committee with the ideas, challenges and potential solutions, as well as the state of the art design elements including Green and energy conservation features that will be included in the concept and final design. Following interviews, presentations, and final negotiations, it is recommended that IDS Group be awarded the contract.

Funding

In anticipation of the funding requirements to engage a consultant for the Veterans Park Building facility planning, and design, Council approved $500,000 in the City of Commerce CIP 2017-18 CIP budget on June 2nd, 2018. As the consultant was not brought on board yet and the full cost was not identified yet, the request for the remaining amount was deferred to the time when consultant selection and fee negotiations are completed. Furthermore, there were other on-going projects related to the Veterans Park Building (gym renovation and fire certification) that could impact the total remaining funds available for the new building design.

Upon completion of the consultant selection and final negotiations, the following costs were identified as the cost for complete needs assessment, community and council participation, visioning, architectural, engineering, and bid document preparation effort that is also divided into phases and would be paid upon the completion of each phase.

ANALYSIS:

The total consultant fee for the phased sum amount of $1,269,317 are as follows:

Facility Planning, Design Development 1. Concept Planning, Schematic Design 2. Design Development, 3. Construction Documents, 30% 4. Construction Documents, 50% 5. Construction Documents, 90% 6. Final Coordination and prep for bid 7. Plan Check 8. Construction Documents, 100%	$145,100.00 $165,240.00 $158,820.00 $158,820.00 $158,820.00 $71,560.00 $58,800.00 $78,840.00
Parking Lot/Utilities 9. Schematic Design, Design Development, Construction Documents, Final Coordination and Plan Check,	$100,644.00
Feasibility Study of adding new building on the south side 10. Programming and Planning, Schematic Design, Finalize study	$47,160.00

and Report	
Meetings 11. 10 (ten) Progress meetings, 3 Workshops, 3 Presentations,	$25,584.00
12. FF&E Design	$38,000.00
13. IT Design	$27,440.00
14. Sub consultants and other	$20,325.00
Bidding Phase Services 15. Response to questions and Review bids/cost schedules	$16,044.00

Total Fee: **$1,269,317.00**

Proposal amount for A/E Services	$ 1,269,317.00
Contingencies fees (approx. 8%)	$ 100,000.00
Building Code plan check and design services	$ 80,000.00
Total:	**$ 1,449,317.00**

Based on the total remaining and allocated amount for Veterans Park Project, this project had a previous Measure AA allocation of $750,000. At the meetings of August 21 and September 18 of Measure AA, staff requested that the additional amount of $700,000.00 be allocated from Measure AA for a total budget of $1,450,000.00.

Discussion

The approval of the funds and engaging the consultant, would allow the consultant to begin working with the community and the Council in envisioning the future Veterans Park Building. This initial step entails comprehensive planning including needs assessment, and identifying future space requirements. This would be an intentional information-based planning to ensure the future facility would match the community needs and desires as well as the budgetary realities-at grand opening and well into the future. With the same team on board, the concepts would be vetted for engineering and technical feasibility, and once approved by council, it can quickly move towards final design and preparation of a bid package. One of the reasons the IDS team was recommended was that they have all the technical disciplines in house, which allows for a very efficient feasibility and budget analysis. Furthermore, retaining the same team from inception to completion allows for continuity, efficiency, as well as accountability for deliverables.

At the August 14, 2018 Measure AA meeting, City staff requested that the Measure AA Committee allocate an additional $700,000 to award the contract the IDS. The Committee requested that staff provide more information about the Council selected

alternative for the use of the existing site for the new building, and as such, postponed providing a recommendation on award of the contract.

At the August 21, 2018 City Council meeting, members of the Measure AA Committee including Steve Craig, John Reno and Annelle Grajeda attended the meeting and requested that Council delay the approval of the agreement with an architectural and engineering services consultant until further investigation of the alternative project designs and options is completed. In response to the request, Council directed staff to meet with the committee members and discuss the alternatives.

On August 29, 2018, City staff held a meeting with Measure AA Committee members Steve Craig, John Reno and Annelle Grajeda, project architect, and members of the engineering team, and MPT Soria. During the meeting, City staff and the engineering team discussed the various alternatives. City staff provided great detail regarding the associated alternative examination, documented studies, and extensive cost analysis. The meeting was followed by a visit to Veterans Park. At the end of the meeting, the Measure AA participants were in general agreement with the staff recommended approach to utilize the existing Veterans Park site for the future building.

At the September 11th Measure AA Committee meeting, City staff made an additional presentation describing the proposed project and requesting the Committee's recommendation to allocate an additional $700,000 of Measure AA funds to enter into an agreement with an architectural and engineering services consultant. The Committee raised concerns regarding entering into a contract with a consultant committing the City to a significant expenditure prior to having a firm project design and prior to engaging the community for additional feedback regarding possible project designs. City staff explained that part of the consultant's scope of work would be to plan community meetings to engage the community and secure their feedback regarding possible project designs. City staff also explained that the phased structure of the contract would ensure the consultant would only be paid for the completed phases. After further discussion, Steve Craig/Citadel made a motion to pay an architect an amount not to exceed $20,000 to provide design options for the City Council's and community's consideration. The Measure AA Committee approved Mr. Craig's motion. The Measure AA Committee did not take action regarding a recommendation regarding the allocation of $700,000 of Measure AA funds to enter into an agreement with an architectural and engineering services consultant.

Mr. Steve Craig/Citadel Offer

Mr. Steve Craig, representing Citadel volunteered to pay an architect an amount not to exceed $20,000 to develop bubble diagrams for the Veterans Park Building. It is a generous offer and entails pros and cons.

Pros

- City is the beneficiary of $20,000 of work provided by an architect. The work will be donated towards the Veterans Park project.

Cons

- The added time and staff effort to legally bring Mr. Craig's architect on board is as follows:
  - Legal staff must prepare and bring forward for Council approval an agreement with the architect. Although Mr. Craig will pay the architect for his/her work, the City will still need to enter into an agreement with the architect to implement all protections and requirements that all City consultants must agree to prior to engaging in work for the City.
  - As with any other consultant, PWDS staff would need to obtain and process Mr. Craig's architect qualifications, insurance, etc. before bringing him/her on board.
  - In order to properly render concepts, the architect would need to take the time to become familiar with the history and review all relevant technical reports.
- It will be necessary for the architect to be available to meet with the Council, community, and stakeholders over several months and on a continuous basis in order to develop an understanding of the community desires and needs. This may well exceed the scope and **$20,000** envisioned for this work.
- There are no engineering teams available to vet the architectural ideas for technical feasibility and cost analysis.

Other Options

In light of the issues discussed above, staff discussed the possibility of phased contract with the consultant. IDS Consultants is agreeable to get on board on a phased basis. Per staff assessment, IDS can begin work on items 1,2, and 10 above (Concept Planning and Schematic Design for $145,100 , Design Development for $165,240, New Building on the Basketball court $47,160) as well as 3 meetings, 3 workshops and 2 presentations to City Council for $11,500) plus environmental feasibility assessment for $10,000 for a total of $379,000.

Council Options

a) Direct staff to accept execute an agreement with an architect selected by Mr. and direct staff to complete the scope of work.
b) Approve an additional $700,000 of Measure AA funds for the full contract amount for $1,449, 317.
c) Approve a phased contract for $379,000 which is within the already approved Measure AA amount.
d) Provide other direction.

FISCAL IMPACT:

a) No direct fiscal impact. Fiscal impact for additional staff time for this option.
b) The fiscal impact of an additional budget in the amount of $700,000.00 from Measure AA to the existing allocated Veterans Park Recreation Building

(Ultimate Concept Design) budget account # 41-5180-57010.14722 of $750,000.00 for a total budget of $1,450,000.00

c) No fiscal impact at this time

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the City Council is consistent with the 2016 Strategic Plan – Goal #6: **"Enhance Quality of Life Goal" and "Maintain and prioritize improvements to City facilities and infrastructures in accordance with adopted master planning documents including the Green Zone Action Plan to accommodate annual and long term goals."**

ALTERNATIVES:

1. Approve staff's recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

Prepared by:	Chidi Ugwueze, CIP Project Manager
Approved by:	Maryam Babaki, Director of Public Works & Development Services
Reviewed by:	Vilko Domic, Finance Director
Approved as to form:	Noel Tapia, City Attorney
Respectfully submitted:	Edgar P. Cisneros, City Administrator

ATTACHMENTS:

1. Resolution
2. Fee breakdown