September 27, 2022 Agenda Item No. 8

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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**TITLE:** Approval of Professional Services Agreement with Griffin Structures

for Library Lecture Hall Construction Management (Project

No. 19F11)

# **ABSTRACT**:

The Public Works Department solicited proposals from qualified firms for the construction management of the Library Lecture Hall project. Twelve firms submitted proposals. After a review of the proposals, Griffin Structures (Griffin) was determined to be the most qualified to provide the requested construction management services for the Library Lecture Hall project.

# **RECOMMENDATION:**

- a) Determine that the action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because it will not result in a physical change to the environment, directly or indirectly; and
- b) Approve a Professional Services Agreement (PSA) with Griffin Structures for the Library Lecture Hall construction management contract for a not-to-exceed amount of \$680,000, and authorize the Mayor and City Clerk to execute the agreement.

# **DISCUSSION:**

On November 30, 2021, staff made a presentation to the City Council regarding the Library Lecture Hall concept plan, budget and schedule. Council approved the concept design and budget and directed staff to proceed with the construction documents and obtain bids for construction. One of the items in the budget was for hiring a construction management firm. Generally, it is preferred to award the construction management contract prior to soliciting for bids so the bidding documents can be reviewed for constructability and budget accountability. The construction management firm will team with City of Newport Beach (City) staff and the design consultant in preparing the project for bidding. Following the bidding process, the construction manager will continue assisting the City with management and oversight of construction and post-construction activities.

The project is scheduled for construction bid solicitation in late fall 2022 and to return to the Council for contract award in early 2023. Following award, construction will begin and is expected to have a duration of approximately 15 months.

A Request for Proposals (RFP) was originally issued to provide construction management services for Fire Station No. 2 and the Library Lecture Hall. A total of 12 proposals were received. The proposals were evaluated by staff and seven of these proposals earned a minimum of 70 percent of the technical score. Three consultants ranked noticeably higher than the other firms and were separated by less than one percent. Erickson-Hall was awarded the Fire Station No. 2 construction management contract. Of the other two top-rated firms from the RFP process, a review of the Griffin Structures proposal determined it would be the best-suited construction management firm for the Library Lecture Hall project. The resulting scoring is as follows:

PROPOSER	TOTAL SCORE (Out of 300)	OVERALL RANK
Erickson-Hall Construction	267	1
Griffin Structures, Inc.	266	2
TELACU Construction Management	264	3
Cumming Corporation	242	4
Kitchell	241	5
Safework, Inc.	236	6
Wildan Engineering	227	7

Griffin will serve as an extension of staff in managing the day-to-day project aspects, therefore the ability to integrate with City policies and procedures was emphasized. While several of these firms presented a capable team, staff feels Griffin is superior, citing its well-suited project team members; in-depth and thorough construction management plan and approach; experience with a large number of similar, high-end projects; work experience as a construction manager; as well as the firm's dedication to strong and extensive schedule/cost control.

In addition, Griffin has successfully delivered similar construction projects for other local agencies including Palos Verdes, Santa Clarita and Rancho Cucamonga. The firm also has experience working for the City, successfully serving as the construction manager and completing the multi-phase Marina Park project on time and on budget. Therefore, staff recommends approving a PSA with Griffin Structures as the construction manager for the Library Lecture Hall project for a total amount not-to-exceed \$680,000.

The negotiated fee is about 5.5 percent of the estimated construction budget, which is in line with the industry standard for a project of this scale.

The proposed construction management services scope of work includes, but is not limited to the following:

- Provide design and constructability reviews of the bid packages
- Assist with public bidding, including pre-qualification of bidders and award process
- Conduct all on-site administration, observation and management
- Continually manage project construction cost and schedule
- Provide quality assurance and quality control
- Administer and document weekly construction coordination meetings with the contractor, design consultants, and City
- Review payment invoices, change orders and facilitate negotiations
- Manage, track, follow-up, and close-out all Requests for Information (RFIs) related to design clarifications, material submittals, approvals, etc.
- Analyze and update construction schedule and coordinate phasing plans
- Provide post-construction services, including construction punch-list management and completion
- Oversee substantial and final completion processes, and project acceptance and close-out

# **FISCAL IMPACT**:

The adopted budget includes sufficient funding for this service. It will be expensed to Account No. 16601-980000-19F11 (American Rescue Plan Act (ARPA)) for the Library Lecture Hall project. The not-to-exceed fee is \$680,000, which is approximately 5.5 percent of the construction budget. For projects of this magnitude, 5 to 6 percent construction management costs are reasonable, and in this case the City has included scope for the construction manager to assist in constructability review and bidding.

### **ENVIRONMENTAL REVIEW:**

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

### **NOTICING:**

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

#### ATTACHMENTS:

Attachment A – Location Map

Attachment B – Professional Services Agreement