

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Department of Public Works

DATE: February 6, 2023

SUBJECT: **Contract Award to Gruen Associates for Preparation of the Environmental Document and Professional Design Services for the Central Library Seismic Retrofit and Renovations Project for an Amount Not-to-Exceed \$6,104,109**

RESPONSE TO CITY COUNCIL REQUEST FOR COST INFORMATION

At the January 23, 2023 City Council meeting, a request was made for staff to provide cost information from the Proposers that were not selected for award of this contract to ensure that the public is paying a commercially reasonable amount for the services.

The City's process for procurement of architectural, engineering and environmental services follows a qualifications-based selection process prescribed by the federal Brooks Act (40 USC Chapter 11) and California's mini-Brooks Act (California Government Code, Title 1, Chapter 10) for federal and State funded projects, respectively. Having secured partial funding from the State Library grant and in pursuit of FEMA grant funding at such time when the RFP was issued, City staff implemented this selection process for this project consistent with anticipated funding sources for the contract.

Based on our legal counsel's review of these prescribed procurement requirements, it was determined that City staff is not prohibited from opening cost proposals from the unselected proposers and sharing information from those proposals with City Council. This is because staff has completed its negotiations with Gruen Associates and has recommended the Council award the contract to Gruen. However, the California Supreme Court has held that for contracts awarded through the Request for Proposals (RFP) process (as opposed to a competitive low-bid process), the proposals do not become disclosable public records until negotiations are complete (i.e., a "recommendation for award is made to the awarding authority"), so as not to interfere in

the negotiations, and in the event that negotiations with the selected proposer fall through. Here, with negotiations complete, the proposals may be disclosed.

DESIGN FIRM SELECTION PROCESS

The Selection Committee included the following seven senior-level staff members from several City departments: Director, Deputy Director/City Engineer and Principal Engineer from Public Works; Building Official and Principal Planner from Planning & Community Development; and Interim Director and Interim Deputy Director from Library and Information Services.

The Committee graded and scored the proposals following the evaluation criteria outlined in the RFP. The RFP scoring criteria included: project understanding and approach, experience and qualifications of the project team, proposed schedule, staffing of the project (ability to perform), submittal of references, and local and small business designations. The table below summarizes the Selection Committee’s scoring for all proposing firms.

	Proposer’s Name	Proposal Score (Max 100)	Interview Score (Max 100)	Total Score (Max 200)	Proposed Design Cost	Negotiated Design Fee
1	Gruen Associates	87.3	93.3	180.6	\$ 6,457,512	\$ 5,779,109
2	Architectural Resources Group (ARG)	84.0	82.2	166.2	\$ 5,447,073	
3	KFA Architecture LLP	82.3	83.8	166.1	\$ 4,293,741	
4	Pfeiffer, a Perkins Eastman Studio	81.0	78.7	159.7	\$ 4,556,753	
5*	Skidmore, Owings & Merrill LLP (SOM)	76.3	N/A	N/A	\$ 3,970,656	
6*	Dewberry Architects, Inc.	73.8	N/A	N/A	\$ 2,743,521	
7*	ONYX Architects, Inc.	71.7	N/A	N/A	\$ 4,004,964	
8*	Richard Yen & Associates	62.3	N/A	N/A	\$ 5,078,869	

*Proposers ranked 5-8 on Proposal Score were not shortlisted for interviews


FEE ANALYSIS

In determining fair and reasonable compensation, City staff considered project scope and complexity, required professional services, and the estimated level of effort or number of hours required to complete the tasks and deliverables requested by the City. Each team member’s hourly rate was also evaluated and negotiated by City staff to be within current industry range. Accordingly, a fee schedule was agreed upon and broken down by task and anticipated hours of service per team member. Based on industry standards and prescribed cost estimating tools for Engineering and Design Services, the total cost associated for professional services for a project of this magnitude is estimated to be between five and eight percent of construction costs depending on complexity and unique qualities of a project. Although the final construction cost is not yet known, staff expects the construction costs to approach and maybe exceed \$100M. Given this assumption, the negotiated design fee falls within this range and is deemed

to be “fair and reasonable” based on the expertise and experience of the City’s Engineering staff.


Upon concluding the qualification-based selection process, Gruen Associates was selected as the Committee’s most highly qualified proposer, having the highest average scores for both their written proposal and their interview. As such, Public Works staff held follow-up project scoping discussions and initiated contract negotiations with Gruen Associates.

Respectfully,



TONY OLMOS, P.E.
Director of Public Works

Approved by:



MIGUEL MÁRQUEZ
City Manager