



**City Council Agenda Report**  
**Meeting Date:** May 16, 2017  
**Department:** Public Works

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**SUBJECT:**

AWARD DESIGN-BUILD CONTRACT FOR CIVIC CENTER PARKING DECK

**RECOMMENDED ACTION(S):**

1. Award design-build contract to ARB Structures, Inc. ("ARB"), of Lake Forest, California, in the amount of \$7,610,410 for the Civic Center Parking Deck Project (PW 2015.30).
  2. Authorize the Mayor to sign, and the City Clerk to attest, the contract with ARB .
  3. Adopt a Resolution entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE FOREST, CALIFORNIA, AMENDING THE CAPITAL IMPROVEMENTS BUDGET FOR 2015-17.
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**EXECUTIVE SUMMARY:**

On December 6, 2016, City Council adopted an ordinance amending the Lake Forest Municipal Code to authorize the use of the design-build project delivery method and authorized staff to use this method for construction of a single-level parking deck at the Civic Center site. State law requires that the City's award of a design-build contract be based on "best value". Specifically, award of the design-build contract must be made to the responsible proposer whose proposal is determined by the City to offer the best value to the public.

The selection of the design-build firm consists of a two-stage process: 1) Pre-qualifying design-build entities; and 2) Scoring technical proposals, interviews, and cost proposals. In December 2016, a Request For Qualifications (RFQ) was issued requesting design-build firms submit Statement of Qualifications (SOQs) identifying their experience as a design-build entity. Four SOQs were submitted.. The City's Civic Center Project Construction Management firm reviewed and scored the submitted SOQs. Three design-build teams were invited to Stage 2 of the process and the Selection Committee reviewed and scored their technical proposals and interviews. Following the City's Purchasing and Contract Guidelines, each firm was afforded the opportunity to submit a "best and final" cost proposal within five days of their technical interview. All three firms submitted a best and final cost proposal, which were opened and scored using a

ranked rating system based on total price. ARB Structures, Inc., (ARB) of Lake Forest, California submitted the lowest cost proposal at \$7,610,410. ARB also had the highest combined score after adding the scores from the technical review, interview, and cost proposal. Staff is recommending awarding a design-build contract to ARB in the amount of \$7,610,410.

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## **BACKGROUND:**

The City's primary method to deliver capital projects is the design-bid-build process. This is a process wherein one firm is initially awarded the design services contract and subsequent to the completion of design, the public agency bids out the construction portion of the project. Alternatively, the design-build process combines professional design services and construction into a single contract with one vendor or team of vendors. With the passage of AB785 in 2014, the design-build process became available to public agencies for projects such as the Civic Center Parking Deck. On December 6, 2016, the City adopted Ordinance No. 290 amending the Lake Forest Municipal Code (LFMC) to allow the use of the design-build process for the parking structure and any future capital project that meets the criteria of the statute.

## **DESIGN BUILD PROCESS**

The design-build delivery method requires "bridging documents" created by a certified and registered design professional. The bridging documents describe enough detail for the design-build teams to provide a cost proposal to design and construct the project. The bridging documents set forth architectural programming and space requirements of the Project, which serve as the basis of design. To facilitate the design-build process, Carrier Johnson prepared the bridging documents for a parking structure with a single deck capable of:

- 308 parking stalls (consisting of 15 ADA single spaces, 19 electric vehicle charging stations, 21 clean air spaces, 253 standard spaces)
  - Installing equipment and photovoltaic panels capable of producing 200kW of electric power
  - Infrastructure capable of installing a total 15,000 sf of photovoltaic (PV) panels
  - An elevator rated at 3,500 pounds
  - Three flights of stairs
  - Service and fire lane, and a loading area
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## **DISCUSSION:**

The City issued an RFQ which was sent to thirteen interested firms as well as published in the Orange County Register. Staff conducted a pre-submittal meeting on December 20, 2016, which was attended by 33 people. The attendees submitted questions which were responded to by City staff and Bernards, Inc. (“Bernards”), the City’s Construction Manager for the Civic Center project. Following the pre-proposal meeting, the City issued four addendums to the RFQ clarifying the requirements.

## **REQUEST FOR QUALIFICATIONS**

The City asked potential design-build teams to submit qualification statements demonstrating qualifications, technical competence, and experience constructing parking facilities. The qualification statements were scored by the City’s construction management team in response to the RFQ based on financial statements, contracting experience as a design-build entity, relative experience as a General Contractor and Engineer of Record, and any violations/citations of the General Contractor. To be invited to participate in the next stage of the selection process, a firm’s qualifications statement had to pass each section/subpart and be ranked as one of the top three in total score.

On December 29, 2016, four design-build teams submitted qualification statements to the City. The design-build teams and resultant scores are shown in Table 1. As stated in the RFQ, the three highest scoring design-build teams were invited to submit proposals and participate in Stage 2 of the selection process.

Table 1– Stage 1-Qualification Statements

Design-Build Teams	Score
1. Bomel Construction	261
2. McCarthy Building Companies	250
3. ARB Structures	249
4. PSBI/SDI, Joint Venture	230

## **REQUEST FOR PROPOSALS**

On January 30, 2017, the City sent out a Request for Proposal (“RFP”) to the highest three qualified design-build teams. The City asked the three qualified teams to provide a technical proposal describing their approach towards designing and constructing the parking facility described in the City’s bridging

documents. The RFP also requested a sealed cost proposal for design and construction of the parking structure. A mid-proposal meeting was scheduled to allow each team to ask questions and confirm their proposed approach was consistent with the City's expectations. Three proposals were submitted by the March 9 deadline. The proposals were reviewed and scored by a Selection Committee consisting of:

- City Clerk
- Director of Public Works/City Engineer
- Engineering Manager/Assistant City Engineer

The Selection Committee scored the technical proposals using an objective list of scoring criteria developed by the City Attorney's Office in conjunction with the City's Construction Management team. The scoring was based on ranking the firms relative to each other for each criterion, which was then converted to a point value with 100 maximum points. In the interview phase, the teams had the opportunity to present their proposal and design approach.

The Selection Committee conducted the interview phase during the week of March 27-31, 2017. The interview phase had a maximum of 30 points. The scores for the technical review and interview are presented in Table 2 below.

Table 2. Stage 2 - Technical Review and Interview

	Technical Review (100 points max.)				Interview (30 points max.)			
	Rater			Subtotal	Rater			Subtotal
	1	2	3		1	2	3	
ARB	90.25	89.50	91.00	270.75	21.00	21.00	25.50	67.50
Bomel	74.50	82.75	90.25	247.50	30.00	30.00	30.00	90.00
McCarthy	92.50	85.00	76.00	253.50	25.50	25.50	21.00	72.00

At the conclusion of the technical review and interview phases, staff opened the sealed envelope containing the proposed fee from each proposer. The proposed fees included a \$150,000 allowance for City requested changes, 10% of the total design and preconstruction services, construction services, construction costs, fees, and insurance. Proposers were also instructed to include the cost of a 200,000 kV photovoltaic (solar panel) system to be installed on the top deck as a bid alternate. This system would generate electrical power for a portion of the Civic Center campus and provide shade for the vehicles on the upper level of the structure.

The firm with the lowest proposed fee scored a maximum 90 points (30 points

from each of the three Selection Committee members). The points for the other proposals were prorated based on the percentage of the difference from the lowest fee. The submitted fees (including the photovoltaic system) range from \$7,610,410 to \$7,862,733 with ARB submitting the lowest fees. Subsequently ARB received the maximum 90 points for the lowest fee, and McCarthy and Bomel received 89.27 and 87.02 points respectively. Table 3 below shows the proposed fee and the representative scores received by the proposers.

Table 3. Proposed Fees and Points Received

Firm	Proposed Fee	Difference from Lowest	% Difference from Lowest	% of Points	Points (90 points max.)
ARB	\$7,610,410	\$0	0%	100%	90.00
McCarthy	\$7,672,383	\$61,973	.81%	99.19%	89.27
Bomel	\$7,862,733	\$252,323	3.32%	96.68%	87.01

ARB's bid alternate cost for the photovoltaic panels was \$922,608. Should the Council determine not to move forward with the photovoltaic system, ARB's proposed fees would be reduced to \$6,606,784. With that, however, ARB continues to have the lowest cost proposal, and would receive the maximum 90 points for the fee portion of the scoring criteria in either instance.

Adding the scores for the technical proposal, interview, and fees ARB scored the highest with 428.25 points, Bomel second with 424.52 total points and McCarthy third with 414.77 points. Table 4 summarizes the total scores received by each firm.

Table 4. Summarized scoring

Firm	Technical Proposal	Interview	Fees	Total Points
ARB	270.75	67.50	90.00	428.25
Bomel	247.50	90.00	87.01	424.51
McCarthy	253.50	72.00	89.27	414.77

ARB is a Lake Forest firm with their corporate headquarters located one block from the Civic Center site. ARB has recently completed parking structures

similar to the one proposed for the Civic Center, including structures at the Long Beach Airport, Moorpark College, California State University of San Marcos, and Santa Monica Civic Center. The design-build team consists of the following:

Architect - HNA/Pacific  
Structural Engineer - Cary Kopczynski & Company  
Civil Engineer – McLean & Schultz  
Construction – ARS

The proposed project schedule is as follows:

- |  |                   |
|--|-------------------|
| 1. City Council Awards Design-build Contract | May 16, 2017      |
| 2. City Issues Notice to Proceed             | May 18, 2017      |
| 3. Start Design                              | May 23, 2017      |
| 4. Contract duration:                        | 290 calendar days |
| 5. Complete Design-Build contract:           | March 9, 2018     |

Staff recommends that the City Council award a design-build contract to ARB, to include the bid alternate of \$922,608 for the photovoltaic system. Including the photovoltaic system is consistent with the City Council's direction to pursue LEED certification for the campus. The Finance Department prepared the contract with ARB. The City Attorney reviewed and approved the signed contract (Attachment 1). The contract amount is \$7,610,410 which includes a \$150,000 allowance for City requested changes and \$600,617 for contingencies. Any additional work in excess of the contract amount would require City Council approval. The design-build contract and the plans submitted by ARB are available for review in the Office of the City Clerk and will be made available in the City Council Chambers before and during the City Council meeting, and on the City's website.

In addition, staff recommends the City Council adopt a Resolution amending the Capital Improvement Budget in the amount of \$8,066,410.

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#### **FISCAL IMPACT:**

Staff is recommending a budget appropriation of \$8,066,410 to be added to the 2015-17 Capital Improvement Projects Budget for the Civic Center project. The appropriation would include budget authority for constructing the parking structure (\$7,610,410), construction management (\$320,000); geotechnical services (\$94,000), and design (\$42,000). The source of the funding for this project is Developer Fees.

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**ATTACHMENTS:**

1. Design-Build Contract with ARB Structures
2. Addenda to Request for Proposal
3. General Conditions, Special Conditions, General Requirements
4. Resolution Approving Budget Appropriation

Initiated By: Angel Fuertes, P.E., Assistant City Engineer/Engineering  
Manager

Submitted By: Thomas E. Wheeler, P.E., Director of Public Works / City  
Engineer

Approved By: Debra Rose, City Manager