



City Council Agenda Report
Meeting Date: April 18, 2017
Department: Public Works

SUBJECT:

AWARD CONTRACT TO GMU GEOTECHNICAL, INC. FOR GEOTECHNICAL SERVICES AT THE CIVIC CENTER PROJECT

RECOMMENDED ACTION(S):

1. Award a contract in the amount of \$668,090 to GMU Geotechnical, Inc. ("GMU") for geotechnical services for the Lake Forest Civic Center Project.
 2. Authorize the Mayor to sign, and the City Clerk to attest the contract with GMU.
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EXECUTIVE SUMMARY:

The City regularly procures professional services using the Request for Proposal ("RFP") process. Under limited circumstances, the City's Purchasing and Contracting Guidelines ("Purchasing Guidelines") allows the City to sole-source a contract with a consultant because of its unique knowledge or services. Since 2013, GMU has served as one of the City's geotechnical consultants, primarily conducting work associated with new neighborhoods under construction in Lake Forest. During this time, GMU has also been working with the Irvine Ranch Water Districting, performing geotechnical studies on what would ultimately become the Civic Center site. GMU possesses extensive knowledge of the geotechnical properties and conditions at the Civic Center Project site. Staff believes the City's desire to expedite the Civic Center construction and GMU's specific knowledge of the project site warrants the use of the sole-source provision within the Purchasing Guidelines to directly contract with GMU for geotechnical engineering services. Consequently, staff recommends the City Council approve a Professional Services Agreement with GMU under the exception for services that are unique "due to availability and fitness for a particular use." The initial term of the proposed Agreement is three years totaling \$668,090. The contract may be extended by two years if necessary and based on the contractor's performance. The term of the agreement is consistent with the standards outlined in the Purchasing Guidelines.

BACKGROUND:

In February 2013, the City Council awarded a contract to GMU as one of two on-call third-party geotechnical services for development projects. Staff's recommendation was based on GMU's performance during the RFP process. The City's on-call services contract includes work associated with the City's new neighborhoods including site visits, performing soil tests, and preparing memorandums and certifications summarizing the site visits, observations and laboratory testing of soils materials. During the contract period GMU has continued to provide excellent service and the City's amendments to the contract reflect ratings commensurate with the firm's performance.

DISCUSSION:

Under a separate agreement with IRWD, GMU has been performing geotechnical studies at the Civic Center project site acting as the geotechnical engineer of record. GMU's work has directly affected planning for the development of the site and has included complex geotechnical analyses and recommendations. In addition, GMU's site investigations revealed several geotechnical challenges requiring a high degree of attention, particularly an iterative process involving various design measures to mitigate liquefaction issues within the environmentally sensitive areas. GMU also designed the 34-foot retaining wall to be constructed during the Civic Center Phase 1 Rough Grading portion of the project.

The Lake Forest Municipal Code allows, under limited circumstances, the City to award a sole-source contract. These circumstances include instances where the service or merchandise provided by a contractor is unique because of its quality, durability, proprietary nature, availability or fitness for a particular use. In this instance, geotechnical studies prepared by GMU are highly specialized and include technical expertise and unique knowledge of the Civic Center site. As noted, the studies prepared by GMU inform the basis for planning and development of the site. Therefore, given these circumstances, issuing a Request for Proposals and hiring a different contractor could potentially delay Phase 1 of the project.

Because of its performance working as the on-call geotechnical firm for the City and its history with the Civic Center site, staff believes that GMU is uniquely qualified to provide service to the City. The scope of work included in the proposed contract would allow GMU to provide support to the City and its subconsultants during the design and construction phases of the project. These activities include, among various others, soils analysis and testing; reviewing

foundation plans; subgrade testing; field geology work; report preparation; inspection of support structures and materials including footings, columns, and concrete. Staff's recommendation would ensure that the Civic Center project can proceed as scheduled and will provide the City with the necessary technical support to address the geological challenges and constraints posed by site.

Staff estimates that geotechnical services associated with Civic Center Phase 1 Rough Grading to be approximately \$248,265. Per the Serrano Summit Development Agreement, the City will be reimbursed for these activities. GMU proposes the same hourly rates for the Civic Center project as for the current on-call services agreement. Because the Civic Center project will be conducted in multiple phases over the next few years, the City would issue GMU multiple notices to proceed for each phase of work. Consequently, staff estimates that total compensation for this contract would be approximately \$668,090 over a three-year period. If necessary, the City would have the option to extend the contract for two additional one-year terms.

As noted, staff recommended action is consistent with the City's Purchasing Guidelines and would enable the Civic Center Project to advance on its current timeline. The Finance Department prepared the agreement and the City Attorney's office reviewed and approved it to form. The City's standard form agreement allows the City Manager to approve extra work up to 10% of the contract amount.

FISCAL IMPACT:

The agreement's total compensation is for a not-to-exceed amount of \$668,090, which covers the geotechnical services needed for all phases of construction at the Civic Center. In a separate City Council action associated with the award of the Civic Center Phase 1 Rough Grading contract, staff is requesting a supplemental appropriation for the work to be performed in the current fiscal year, which includes \$148,090 for geotechnical services by GMU. Future budget appropriations for the Civic Center would include the remaining unfunded portion of the GMU contract. In addition, as included in the Second Amendment to the Development Agreement, IRWD will reimburse the City for all geotechnical costs associated with the first phase of construction.

ATTACHMENTS:

1. Agreement with GMU
2. Reference Check

Initiated By: Angel Fuertes, P.E., Assistant City Engineer
Submitted By: Thomas E. Wheeler, P.E., Director of Public Works / City
Engineer
Approved By: Debra Rose, Interim City Manager