



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
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Meeting Date: 11/27/2012

Report Type: Consent

Title: Sacramento Valley Station Phase 2 Intermodal (T15029040) - Design-Assist Project
Delivery Method [2/3 vote required]

Report ID: 2012-00926

Location: 401 I Street, District 3

Recommendation: Pass a Resolution: 1) suspending competitive bidding in the best interest of the City for construction of the Sacramento Valley Station Rehabilitation, Phase 2 Intermodal project; and 2) approve the Design-Assist delivery method for this project.

Contact: Greg Taylor, Senior Architect, Project Manager, (916) 808-8431; Fran Halbakken, Railyards Project Manager, (916) 808-7194; Department of Public Works

Presenter: None

Department: Public Works Department

Division: Planning & Policy

Dept ID: 15001041

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution

City Attorney Review

Approved as to Form
Gerald Hicks
11/16/2012 1:31:11 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
11/8/2012 5:07:44 PM

Approvals/Acknowledgements

Department Director or Designee: Fran Halbakken - 11/15/2012 1:35:47 PM



Description/Analysis

Issue: The Sacramento Valley Station is undergoing a two-phase rehabilitation. The current Structural Rehabilitation phase is scheduled for completion in the summer of 2013 and consists primarily of seismic upgrades and minor repairs. The majority of the building will remain unimproved and unconditioned. Phase 2 of the rehabilitation is scheduled to begin in late summer and will consist of installing new mechanical, plumbing and electrical systems; upgrading egress to current code requirements; rehabilitating historic window and door systems; conserving the historic MacQuarrie mural; repairing the painted main lobby plaster ceiling; relocating Amtrak operations to new areas of the building; and improving the building interior to a leasable state, including new ground floor retail uses.

The City has already contracted with a design firm—Zimmer Gunsul Frasca Architects LLP—to perform design services for Phase 2 of the Rehabilitation. Staff believes that suspending competitive bidding for the construction of Phase 2 to allow the City to utilize the design-assist project delivery method is in the best interests of the City. Using design-assist, as opposed to the traditional design-bid-build procurement method, will allow the City to bring the contractor on board now—during the design phase—to consult on the design in hopes of maximizing constructability and increasing efficiency. Time is of the essence when it comes to completing the construction documents. Part of the funding for Phase 2 comes from a \$15 million Federal TIGER IV funds grant with a local match of \$15 million. Under the terms of the grant, construction drawings must be completed, ready for bid issuance, by June 30, 2013.

If City Council elects to suspend competitive bidding and utilize a design-assist method of delivery, the City will issue a Request for Qualifications for contractors that will include a fee proposal for Design-Assist services and the contractors profit and overhead rates for the construction phase of the contract. If City Council approves that contract, the contractor will work with the design team to prepare construction documents and will also develop a Guaranteed Maximum Price (GMP) for construction of the project. The GMP will be presented to City Council for approval prior to moving forward with construction.

Policy Considerations: The recommendations in this report are consistent with:

- City Code Title 3, section 3.60.170(D) by providing the City Council with an option to determine, by a two-thirds vote, that suspending competitive bidding is in the best interests of the City;
- The City's Strategic Plan goal to achieve sustainability and livability, while improving and expanding services to the local community; and
- The 2030 General Plan vision to link Sacramento to the region by an extensive, efficient and safe network of roadways, bridges, mass transit, bikeways, pedestrian trails, and sidewalks.

Committee/Commission: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): The Environmental Services Manager has determined that the project, as proposed, will not have a significant impact to the environment; therefore, a Mitigated Negative Declaration was prepared. In compliance with Section 15070 of the CEQA Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures address biological resources and cultural resources. City Council adopted Resolution No. 2009-115 on February 24, 2009 approving the environmental documents.

Sustainability Considerations: Construction of the Sacramento Valley Station rehabilitation is consistent with the Sustainability Master Plan goals to reduce the use of the private automobile by working with partners to provide efficient an accessible public transit and transit supportive land uses. It also contributes to reducing long commutes by providing a wide array of transportation choices near jobs.

Rationale for Recommendation: Suspending competitive bidding is recommended as being in the best interests of the City to allow the use of the design-assist alternative project delivery method. This project delivery method has proven to be successful in delivering construction projects on schedule and within budget. The design-assist project delivery method is recommended for use in delivering the Sacramento Valley Station Phase 2 project for project reasons cited above and because it is recognized in the industry as providing the additional benefits. Design-Assist:

- Is a faster delivery method than the traditional design-bid-build method;
- Allows the contractor to work closely with the design team to determine the construction details and methods of construction, and complete the constructability reviews early in the process; and
- Provides a smoother construction environment and reduces the potential for change orders.

The request for suspension of competitive bidding and use of the Design-Assist method of procurement would address the following critical issues of the project:

1. The critical time constraint for producing drawings would be expedited with constructability information during the design phase.
2. The Sacramento Valley Station is a functioning, high passenger volume station (7th busiest nationally) that requires operations to continue with minimal interruption to Amtrak and Amtrak's customers. The City of

Sacramento must insure that the sequence of construction be a part of the design of the building systems during the design phase to ensure that construction phasing be coordinated with the contractor and Amtrak staff well in advance of construction.

3. Retaining a qualified contractor during the design phase would greatly increase the likelihood of cost reduction over the low-bid system with the advantage of working through potential issues and constraints to operations and building structure and passenger safety in advance by structuring the design of systems and methods of construction, rather than produce a design and bid-package with a set of assumptions that would lack information on the constructability of the project. The latter scenario would greatly increase the likelihood of change orders due to operational and constructability unknowns during the construction process.
4. Expertise in historic structures is paramount in working on a national landmark structure with materials and building systems that are not typical of modern means and methods.

Financial Considerations: Suspending competitive bidding and authorizing the use of the design-assist alternative project delivery method does not require funding, however this method of procurement should provide a cost-savings to the project through the minimization of change orders and additional work that often is typical with rehabilitation projects under a low-bid procurement method. This will be important due to the funding under the Federal TIGER Grant award.

The Department of Public Works has completed a competitive selection process for design services for the Sacramento Valley Station Phase 2, and is proceeding with a professional services agreement with Zimmer Gunsul Frasca, Architects LLP, authorized by City Council on September 11, 2012, for initial architectural design services. This agreement will provide for project scoping and project cost verification. Funding for this work will be through our TIGER IV Grant.

Staff is proceeding with a competitive process to select a qualified contractor for this project. The chosen contractor will assist the architect in scoping and designing a constructible facility within the project budget. This scope of service will be performed under City Manager authority. Upon determination of the final scope of work, staff will return to City Council in the fall with a recommendation to award the contract for construction with a Guaranteed Maximum Price.

Emerging Small Business Development: Because of the federal funding involved, the ESBD program is held in abeyance.



BACKGROUND INFORMATION

On June 22, 2012, the U.S. Department of Transportation awarded the City of Sacramento a \$15 million TIGER IV Grant (Transportation Investment Generating Economic Recovery – 4th round) for the construction of the rehabilitation of the Sacramento Valley Station, which is also known as Phase 2 of the overall Sacramento Intermodal Transportation Facility (SITF). This \$15 million grant is to be matched with \$15 million in Measure A Transportation Sales Tax revenue.

On September 11, 2012, City Council passed a motion authorizing the City Manager to execute a contract for Architectural Design Services (Report # 2012-00730) with Zimmer Gunsul Frasca Architects LLP, in an amount not to exceed \$3,202,124, for the Phase 2 Sacramento Intermodal Transportation Facility rehabilitation and upgrade to the Sacramento Valley Station (Depot).

Design Services work is on-schedule for the June 30, 2013 deadline. The first Public Open House on the project was held on November 15th and Programming phase, including investigation and space needs is due to conclude in January and final schematic design to conclude in the first of March 2013.



RESOLUTION NO.

Adopted by the Sacramento City Council

SACRAMENTO VALLEY STATION – PHASE 2 SUSPENDING COMPETITIVE BIDDING AND APPROVE DESIGN ASSIST PROCUREMENT METHOD

BACKGROUND

- A. The City Council passed a motion on September 27, 2012, authorizing the City Manager to execute a contract in the amount not to exceed \$3,202,124 with Zimmer Gunsul Frasca Architects LLP for the Phase 2 Sacramento Intermodal Transportation Facilities Project for architectural design services for facility rehabilitation and upgrade.
- B. The Sacramento Valley Station is located at 401 I Street.
- C. The City has received \$30 million in grant funds for construction rehabilitation of the Sacramento Valley Station from the TIGER IV (Transportation Investment Generating Economic Recovery – 4th round) discretionary grant program. A 50/50 match in Measure A funds and construction documents are mandated by the terms of the grant and are to be completed by June 30, 2013.
- D. The Sacramento Valley Station is the 7th busiest passenger station in the nation. The necessity to plan and sequence the construction for passengers and the operational needs of Amtrak are critical to the success of this project and would greatly benefit from pre-construction planning with a General Contractor as part of the design phase services.
- E. The Sacramento Valley Station is a National, State and Local landmark and the rehabilitation of such a structure requires knowledge and expertise of historic structures with experience with the Secretary of Interior's Standards for Historic Buildings.
- F. The Sacramento Valley Station rehabilitation scope of work will include the conservation and restoration of the historic MacQuarrie mural and main lobby ceiling plaster which requires the expertise of qualified conservators.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council determines that it is in the best interest of the City to suspend competitive bidding for the Sacramento Valley Station – Phase 2 Intermodal rehabilitation, and hereby suspends competitive bidding.

Section 2. The City Manager is to direct staff to release a Request for Qualifications/Proposals (RFQ/RFP) for a design-assist contract for Sacramento Valley Station – Phase 2 Intermodal rehabilitation.