



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

---

File #: 20-0168, Version: 1

---

### **REPORT TO COUNCIL**

#### **SUBJECT**

Award of Contract to Jacobs Project Management Co. for Construction Management Services for the Civic Center Phase I Project (F20-041)

#### **REPORT IN BRIEF**

Approval is requested to award a contract in the amount of \$7,640,333 (\$6,848,633 base services and \$791,700 optional services) to Jacobs Project Management Co. of San Jose, for Construction Management Services for the Civic Center Phase I. Approval is also requested for a 10% contingency in the amount of \$764,033.

#### **EXISTING POLICY**

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, contracts for this type of service are awarded pursuant to a Request for Proposals (RFP) best value process, unless otherwise exempt from the competitive bidding process. Additionally, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### **BACKGROUND AND DISCUSSION**

Upon completion of the Civic Center Modernization Master Plan (RTC No. 17-0835), City Council provided direction to proceed with design and construction plans for a new Civic Center. On September 25, 2018 Council adopted a resolution to certify the Environmental Impact Report, adopt the Civic Center Master Plan and directed Staff to proceed with design for a Net Zero City Hall Building (RTC No. 18-0799). On December 4, 2018, Council voted to award the Civic Center Phase 1 design contract to SmithGroup (RTC No. 18-1008).

Civic Center Phase I includes the following building and site components:

- A new City Hall building which relocates staff currently in the Main City Hall, City Hall Annex, South Annex, and Sunnyvale Office Center into one building;
- An addition to the Department of Public Safety Building, housing an emergency operations center (EOC) and detectives' bureau;
- Renovation of the Public Safety Building to support current operational needs and technology functions;

- Demolition of the existing City Hall, City Hall Annex, South Annex and Sunnyvale Office Center; and
- Creation of approximately six acres of plazas and open space.

On August 27, 2019 Council approved the Schematic Design, the Highly Recommended and Recommended Cost Saving Strategies, and directed Staff to proceed with the design and construction procurement for the Civic Center Phase 1 project (RTC No. 19-0592).

A competitive Request for Proposals (RFP) for construction management services was posted on the City's Demandstar public procurement network on October 4, 2019 and directly emailed to eight Bay Area firms. Thirty-nine firms requested the RFP documents and two responsive and responsible proposals were received on October 31, 2019, from Nova Partners Inc. and Jacobs Project Management Co. (Jacobs). The proposals were reviewed by an evaluation team consisting of Public Works staff on demonstrated qualifications, experience, and programmatic approach. Both firms were invited to participate in an interview and discussion with the City. During the scheduling of these interviews, Nova Partners Inc. contacted the City and declined the interview request due to staffing constraints. An interview was conducted with Jacobs, which was unanimously selected for recommended award.

Jacobs demonstrated great depth of experience relating to the construction of large, complex municipal construction projects, proposed a complete team to address the various construction disciplines (Sustainability, LEED/Net Zero specialists, etc.) and presented a high level of experiential qualifications.

The proposed optional services in the amount of \$791,700 include additional services for facility condition assessments, site mobilization, contract administration, building information model management, cyber security, and visual media services, if needed.

Additionally, the City has negotiated a 3.5% annual increase to the proposal fees that will be effective on January 1, each year that the contract is active. To support this action, staff is requesting the City Manager be authorized to amend the contract annually, within budgeted amounts.

### **FISCAL IMPACT**

The contract consists of base services in the amount of \$6,848,633, optional services in the amount of \$791,700, and a 10% contingency in the amount of \$764,033, for a total of \$8,404,366. Funding for this project is available in Project 831340 - Civic Center Modernization.

The total budget for the Civic Center Phase 1 project is \$280M. Of that, almost \$226 M is allocated to construction (including escalation and contingencies). \$54 M is for soft costs which consist of: design, permitting, public art, staff costs, construction management, and furniture, fixtures, and equipment.. The contract for construction management, optional services, and associated contingency represents 3.7% of the estimated construction costs, which is on par with industry standard. To date, approximately \$3M in unallocated soft cost budget remains, which may be utilized in the future to augment the project or hedge against unexpected increases in costs when the project is bid for construction.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board

outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

Take the following actions:

- Award a contract to Jacobs Project Management Co. of San Jose for Construction Management Services for the Civic Center Phase 1 project in substantially the same form as Attachment 1 to the report in an amount not-to-exceed \$7,640,333,
- Authorize the City Manager to execute the contract when all the necessary conditions have been met,
- Approve a 10% contingency in the amount of \$764,033, and
- Authorize the City Manager to amend the contract annually to increase the not to exceed contract amount by 3.5%, with budgeted amounts.

Prepared by: Gregory S. Card, Purchasing Officer  
Reviewed by: Timothy J. Kirby, Director of Finance  
Reviewed by: Chip Taylor, Director of Public Works  
Reviewed by: Teri Silva, Assistant City Manager  
Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Draft Consultant Services Agreement