



Information Item

Date: October 8, 2013

To: Mayor and City Council
From: Martin Pastucha, Director of Public Works
Subject: Proposed Design-Build Delivery Method for City Services Building

Introduction

This Information Item explains the selection of the design-build approach for delivery of the City Services Building. On March 27, 2012, Council authorized staff to seek proposals for initial design and cost estimating services for a City Services Building. A design-build approach for these services will provide diverse expertise, project team continuity and accountability to increase efficacy of the process. Staff will return to Council for approval of subsequent project phases and any associated appropriations.

Background

On June 28, 2005, Council approved an updated Civic Center Specific Plan which identified the need for a City Services Building of approximately 40,000 square feet to be constructed next to City Hall. Council authorized staff to seek proposals for initial design and cost estimates for a City Services Building located on the site east of City Hall. Prior to issuance of a Request for Proposals (RFP), staff undertook a comprehensive review of previous analyses of City Hall, organizational work environment demands and recent modifications to City Hall in order to develop a relevant and up-to-date RFP.

The City leases over 50,000 square feet of office space throughout the city to accommodate administrative staff. Besides the inefficiency of disparate work locations, there is substantial cost associated with the leases as documented in a report presented to Council on October 13, 2007. In FY 2012-13 the City spent approximately \$2.4 million in off-site leased office space.

Discussion

On March 27, 2012, Council authorized staff to seek proposals for initial design and cost estimates for a City Services Building located on the site east of City Hall. Staff has determined that a design-build process would best serve this multi-faceted project. The design-build approach offers efficient project delivery, diverse expertise, team member continuity and accountability. The City has benefited from a number of design-build projects in recent years including: the Big Blue Bus Facility Expansion, the Main Library Construction, and the Tongva Park and Ken Genser Square project.

A design-build team is solicited at the project outset. A team of builders, designers and specialty consultants provide expertise at this critical phase of initial concept design, feasibility and cost estimating. Members of this integrated project team would likely include construction specialists, architects, engineers, historical consultants and cost estimators. This team delivers both the initial project design and cost estimates. If the initial design is approved by Council, the design-build team could move into the design phase based upon a guaranteed maximum price for design. If the final design is approved by Council, the same design-build team could provide construction services based upon the guaranteed maximum construction price provided at the completion of design. Design-build project delivery generally has a contractor as the prime consultant and the single point of responsibility for the City throughout the project lifecycle, although a contract with a design-build team would not obligate the City beyond the segment of work approved by Council.

The expert continuity provided in a design-build approach is important given the challenges associated with the City Services Building which include: underground regulated materials, historic preservation requirements and impact to the critical utilities system feeding City Hall and the Public Safety Facility. Additionally, team continuity increases the reliability of the estimates, ensures consistent responsibility for the work and eliminates delays resulting from separate design and construction bidding cycles.

Anticipated Timeline and Next Steps

Staff anticipates the following project timeline:

- Initiate the competitive process for the selection of a design-build team in accordance with City Charter and Municipal Code provisions – November 2013
- Present a recommendation to Council for award of the first preliminary work contract to conduct the initial design and cost estimate – February 2014
- Present initial design and cost estimates findings along with the proposed financing strategy to Council - October 2014

Staff will periodically return to Council with findings and reports. Staff will seek Council authorization of any budget actions determined by the findings of this initial phase of the City Services Building project as well as subsequent design phases and construction.

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