RESOLUTION NO. 2014-43

A RESOLUTION OF THE ALBANY CITY COUNCIL APPROVING THE PRELIMINARY DESIGN AND SPECIFICATIONS FOR A NEW PUBLIC WORKS SERVICE CENTER AT 540 CLEVELAND AVENUE; AUTHORIZATION FOR STAFF TO ISSUE A REQUEST FOR PROPOSALS FROM DESIGN BUILD DEVELOPERS/CONTRACTORS; AND RESERVATION OF $1 MILLION FROM INTERNAL SERVICE FUND RESERVES BALANCE FOR PROJECT CONSTRUCTION

WHEREAS, on July 15, 2013 the Albany City Council approved the Capital Improvement Plan which included funding for the proposed Public Works Service Center; and

WHEREAS, on October 21, 2013 the City Council approved a set of recommendations for advancing the project through the property acquisition and design stages, leading to a design build contract for its construction; and

WHEREAS, on January 21, 2014 the Council approved the first reading of an Ordinance to allow use of the design/build method as an alternate approach to public works construction; and

WHEREAS, the City Council desires to solicit design build proposals in a two step process: 1) solicit qualifications from all interested firms; and 2) solicit proposals from a select number of firms that are the most qualified; and

WHEREAS, the City has received ten submittals in response to the Request for Qualifications issued in February 2014; and

WHEREAS, City staff evaluated the submittals and recommends the City Council proceed to the second step of soliciting proposals from the five most qualified firms/teams; and

WHEREAS,
WHEREAS, the City Council approved the preparation of design plans and specifications to be attached to the Request for Proposals to specify the content of the proposals.

NOW THEREFORE, BE IT RESOLVED, that the City Manager is hereby authorized to distribute the attached Request for Proposals to five design build teams recommended by the City Manager, as the second step for securing a design build development team for the development of the Public Works Service Center; and

BE IT FURTHER RESOLVED, that the City Council hereby approves the revised three part design package, specifications and bridging documents dated May 30, 2014, for a facility of approximately 15,000 square feet, prepared by City contract design consultant Gillis + Panichapan Architects Inc., as the base requirements for the proposals; and

BE IT FURTHER RESOLVED, that the City Council hereby reserves $1 million dollars of Internal Service Fund Reserves balance to the construction of the facility to reduce the amount of the lease payment required for the project financing; and

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon its adoption.

JOANNE WILE, VICE MAYOR
RESOLUTION NO. 2014-43

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 9th day of June, 2014, by the following votes:

AYES: Council Members Atkinson, Barnes, Maass, and Vice Mayor Wile

NOES: none

ABSENT: none

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this 10th day of June, 2014.

Eileen Harrington
DEPUTY CITY CLERK
Request for Proposals
City of Albany Public Works Service Center
Design Build

Release Date: June 13, 2014
Response Due By: Friday July 11, 2014
Request for Proposals
City of Albany
Public Works Service Center

The City of Albany is requesting proposals from five pre-qualified firms interested in being selected to develop, finance, construct and lease to the City of Albany a new Public Works Service Center at 540 Cleveland Avenue in Albany. Five copies of the proposal shall be submitted in writing by 12 p.m. Thursday May 21, 2014 to:

Nicole Almaguer, City Clerk
City of Albany
1000 San Pablo Avenue
Albany, CA 94706
Attention: RFP Albany Public Works Service Center

I. INTRODUCTION & PURPOSE OF THE REQUEST

The City of Albany is located at the northwestern corner of Alameda County, California, bordered by the cities of El Cerrito and Richmond on the north, the City of Berkeley on the east and south side, and by unincorporated Kensington in Contra Costa County on the north and east. The City of Albany was incorporated in 1908. The current population is 18,500 residents (2010 census). Albany is known for the excellent quality of its K-12 school district, highly educated populace, and small town ambience in an urban setting.

The existing Public Works Department offices and maintenance center at 548 Cleveland is located in a leased facility that is inadequately sized for the public works operations. The lease will expire in January 2015, and the City desires to lease and then own a new replacement facility for housing this critical City function starting in 2015.

The City has entered into a Purchase Agreement for the acquisition of an industrial property at 540 Cleveland Avenue to construct a new service center (parcel adjacent to the current facility). The prior industrial building that occupied the site has been demolished and the site is now vacant. The prior owner of the site has completed remediation of soil and groundwater contamination pursuant to an Alameda County Corrective Action Plan. Acquisition of the property has been completed and was fully funded by the City’s Capital Improvement Program. The cost of the property does not need to be included in the response to this solicitation.
The City Council has adopted several recommendations to guide the implementation of the project including entering into an agreement with the architecture firm of Gillis + Panichapan Architects Inc. (GPa) to prepare design specifications and preliminary plans. It is currently estimated that the facility will be approximately 15,120 square feet for the building area (shop and office space) and a 3000 square feet canopy structure, with a cost of approximately $5.5 million, including building costs, site costs, soft and hard costs, but exclusive of land cost. The design specifications and preliminary plans are attached.

Project Description: The project is composed of two separate noncontiguous structures on an approximately 0.864 acre site. The entirety of the site area is to be developed with this project.

The main structure (Structure 1) is a two story building with a mezzanine totaling approximately 15,120 sf. The first floor is designated for the fleet program, warehouse, storage, utility rooms, and shops. There is mezzanine space primarily dedicated to storage. The second floor consists of office space that also includes lockers, restrooms, a lunchroom, a conference/training room, and a first floor entry and elevator lobby facing Cleveland Avenue. The building would be of Type IIb construction primarily made up of exposed CMU walls encasing a steel frame with a lightweight concrete floor deck.

The secondary building (Structure 2) is an approximately 3,000 sf type VB construction single story open canopy type structure. It contains vehicle parking, equipment, material bin, waste transfer station, and a vehicle wash bay. The wash bay equipment installation would be a part of the construction scope. This would include the high pressure, hot water washer and the water reclamation system at grade.

The project would follow the standards of a LEED Gold certification and would be self-certified without obtaining the certification from the USGBC.

Please refer to the bridging documents and specifications provided for additional information.

The City desires to use a design/build method of constructing the new Public Works Service Center instead of the design/bid/build process. The City Council has approved the design build method as an alternate method of constructing Public Works Service Center. Albany is a charter city with the authority to use this alternate method. The City desires to use this approach for several reasons including:
• Efficiency for the design and bidding process that will save time over the traditional design/bid/build method, and ensure delivery of the project in 2015;

• Ability to negotiate a Guaranteed Maximum Price within the financial limitations of the project budget;

• Ability to choose the most qualified multi-disciplinary development/construction team based in part on qualifications and experience instead of lowest price only.

• Selection of a development entity that will finance the construction of the facility and then lease it to the City through a long term lease-to-own structure that will allow the City to purchase the facility at the end of the lease period (25 – 30 years- depending on total facility cost) for a nominal amount.

• Utilization of the lease-to-own structure will allow the City to use multiple income streams to pay for the long term lease payments including: General Fund allocations currently dedicated to the lease of the existing facility at 548 Cleveland, and General fund revenues previously spent on maintenance expenditures that will be paid for from the Landscape and Lighting District (LLAD-88); The City desires to use this structure as an alternative to selling bonds to finance the facility.

II. DESIGN SPECIFICATIONS/BRIDGING DOCUMENTS

In order to ensure that the facility meets the particular requirements of the City, the architectural firm of Gillis and Panichapan Architects Inc. (GPa) has prepared the attached bridging documents including design specifications and preliminary plans through partial design development. These plans and specifications have been approved by the City Council and will be used as the basis of any proposal submitted in response to this RFP.

III. REQUEST FOR QUALIFICATIONS AND REQUEST FOR PROPOSAL PROCESS

The City is using a two-step process to select the development team. The first step was open to all interested parties, and solicited qualifications only. Ten submittals were received, and the submittals were evaluated by a panel of staff and GPa. Five teams were determined to be the most qualified and are invited to submit more detailed proposals for this second step. This solicitation is no longer open to all interested parties. Proposals will be considered only from the five firms on the RFP invitation list.
The RFP submittal should include a team of professionals that demonstrates the following areas of expertise:

- Architecture
- Engineering
- Construction
- Finance
- Development
- Sustainable Design
- Technology: Security, Data, Audio, and Video

IV. QUALIFICATIONS SUBMISSION REQUIREMENTS

The submittal should include the information that was submitted in response to the RFQ so that the qualifications and proposal are in one document. The qualifications information should include the following information and materials:

- Qualifications and Related Experience of Personnel Who Will Perform Work. Résumés of all personnel who are proposed to provide professional services to the City of Albany within the Scope of Work outlined and described in this request should be included. Résumés should include all relevant experience, education, and other qualifications over the past 3 years.

- Prior Relevant Experience. A description of prior work experience and projects that are similar in scope to the Albany Public Works Service Center should be included.

- Description of the team members and who will lead the development process. This section shall include the following:
  
  1. Composition of the team, including identification of all Project participants (firms and individuals) and their roles at each stage of the Project, including a detailed organizational chart. All individuals who the Consultant believes are critical to the Project should be included.
  2. The team reporting structure, mechanisms of reporting, and internal communications plans.
  3. The specific responsibilities, authority and accountability of the key personnel and how these team members will interact with each other and other entities involved in the Project.
Description of the proposed construction financing and long-term lease financing structure with examples of similar experience.

References of Design Build Clients. Please include a list of at least three (3) current and/or previous clients located in California for which the consultant has rendered professional services relevant to the scope of work outlined and described in this request, including at least one local government reference/project.

V. PROPOSAL SUBMISSION REQUIREMENTS

In addition to the qualifications information, the proposal should include the following elements:

A. Design Implementation – Provide information on the following:

- Include a statement of the design work that will be needed to complete preliminary plans to obtain use permit approvals from the Planning & Zoning Commission, and construction drawings required for Building Permits.
- Provide design for construction all the way through tenant improvements to qualify for occupancy permits. See additional instructions in the bridging documents and specifications provided (exclude selection of furniture and equipment, but include fixtures).
- State if there are modifications to the bridging documents and specifications that are recommended for construction cost savings, operation costs and efficiency, and/or overall development cost reduction.
- Include a design budget that sets forth the number of hours required by each of the design professionals involved for each major design task, hourly pay rates and total budget by task.

B. Construction Approach, Timing and Budget – Submit information on the following:

- Describe how the project will be constructed, including whether construction will commence prior to completion of all plans, and if so, how the phasing of design and construction elements will proceed, illustrated on a chart.
- Chart should include information on the completion of various project elements and an overall time schedule for completion.
o Submit a budget for construction that includes all hard and soft costs and contingencies for building shell, site preparation, site improvements, utilities, ancillary structures, and tenant improvements.
o Include an allowance of $400,000 for furniture and equipment that the City may buy independently using project financing.
o Submit form of Guaranteed Maximum Price assurances.
o Submit alternate methods of paying for the installation of solar panels including building cost into the base price and lease financing as one alternative, and arranging for installation by third party provider to pay capital costs with separate financing to the City independent of the project financing. Estimate capital and lease costs of both alternatives.

C. **Sub Contractor Bidding Process & Prevailing Wage Requirement** – Describe the process that will be used to bid the elements of the contract to the various trades, and the process that will be used to ensure that sub contractors are complying with the requirement to pay prevailing wage. This must include compliance reporting to the City.

D. **Project Coordination** – Describe the process that will be used to coordinate the completion of the design with City participation, and periodic progress meetings with the City during construction.

E. **Construction Financing** – Describe how the project will be financed through completion of design and construction.

F. **Lease Agreement / Long Term Financing** – Submit the following information:

- Sample lease agreement for the long term financing of the project that will result in the City obtaining ownership of the facility after 25-30 years with a nominal final payment (“Lease-to-Own”).
- Estimate the amount of the yearly lease payment required for financing the project costs (excluding land value). Provide estimate of lease rate at both 25 year and 30 year term.
- Describe the ownership structure for the project including land ownership (does City retain ownership through land lease, or convey land, or other options).
- Assume City’s initial contribution to the project is the land and the GPa design specifications and design development, and up to $1 million in cash payment from the City to reduce the lease costs.
- Identify whom the long-term owner of the project will be that will lease to the City. State whether the income from the long-term lease
is tax exempt for the owner. State the assumed holding/ownership period for the initial owner.
   o Recommend alternate long term financing structures if appropriate.

G. **Project Proforma** - Submit an overall project proforma that includes hard and soft costs for construction with details on various costs elements such as major construction items, A&E design costs, insurance, construction interest; contractor & developer fees; long term financing costs (debt service); and, long term income and returns to developer/owner. This should be a multi-year projection.

H. **Entitlements** – Allocate time and resources for obtaining land use and design review permits from the City Planning & Zoning Commission; and construction permits from the Building Division.

I. **Agreements** – It is anticipated that two agreements will be required to implement the project: 1) Guaranteed Maximum Price Construction Contract; and 2) Long term Lease Agreement. Specify whether other types of agreements may be necessary or appropriate.

J. **Disqualification Record and Claims History**- If applicable, provide any records or history of disqualification/ removal from governmental construction contracts or any claims, demands for arbitration and/or law suits filed by proposer, predecessor companies or/ and or its agents in connection to proposer within the last five years. Provide a brief description or basis of claims for the incident.

VI. **SELECTION CRITERIA**

The successful proposer at this RFP stage must have experience with the construction and financing of similar facilities using the design build method. Criteria for selection of the development team will include, but not be limited to, the following:

   o Completeness of response to the RFP.
   o Experience with construction of similar design build projects utilizing bridging documents.
   o Information obtained from reference checks.
   o Proposed project cost and long-term lease or financing costs.
   o Experience with long-term lease or other equivalent forms of financing.
Best value including price, features and function.
Demonstration of financial capacity to complete the project including obtaining short term construction financing and long term ownership financing, and capacity to obtain bonding and liability insurance.
Evidence of professional licenses and business insurance (general liability and errors and omissions) for professional designers on the team.
Ownership entity of facility during lease period, and ownership property portfolio.
Oral and written communication skills.
History, if any, of disqualification or removal from governmental construction contracts.

VII. GENERAL INFORMATION

The City of Albany reserves the exclusive right to determine the most qualified team for selection.
The City of Albany reserves the right to discuss or negotiate a proposal with any of the proposers. The City may interview some or all of the proposers.
The proposal selected for the facility development may not be the lowest cost proposal. The City reserves the right to base its decision on other factors such as experience and best value.
All submittals will be subject to public records laws.
The City reserves the right to cancel or reissue the RFP, or revise the timeline for submittal and selection at any time.
The City reserves the right to reject any and all submittals and to waive minor irregularities in the submittal process. The City may accept any submittal if such action is believed to be in the best interest of the City.
The City is not liable for any cost incurred by the proposer prior to execution of a contract.
The project team shall be approved by the City of Albany. The City must approve any changes in the project team.
The City Council will approve the RFP before its distribution; will approve the selection of the team to undertake the project; and, will approve the GMP construction contract and long term lease agreement.

VIII. SITE CONDITIONS

A. Soils Conditions – Pursuant to the attached letter from WRECO dated 10-22-13, the site soils are suitable for the type of structures contemplated for the development. The proposer may wish to undertake further analysis in preparing the estimate of site preparation costs.
B. **Soil & Ground Water Contamination** – The site was previously improved with an industrial building that contained the business known as Western Forge & Flange, which undertook manufacturing processes. As a result of this use the property was contaminated by various chemicals, primarily petroleum based products and VOCs. The site has been tested and characterized and this information is set forth in several reports by Ninyo & Moore which can be accessed online at the web site listed below. The attached site plan shows the location of the contaminants and the completed remediation activities in relation to the proposed building. The proposed building has been sited by GPa to avoid as much of the previously contaminated area as possible. For the areas of prior contamination, including those under the proposed building, the County of Alameda Health Department has issued the attached letter certifying that no further soils remediation will be required pursuant to the County approved Remedial Action Completion Report (Ninyo & Moore, February 6, 2014). The remaining potential remediation activities for the site are limited to: 1) completion of the water monitoring; and 2) compliance with the attached Soils Management Plan (SMP) applicable to ground disturbing activities during construction. Environmental documents that are not attached to this RFP are accessible on-line at the Regional Water Quality Control Board’s Geotracker web site (http://geotracker.waterboards.ca.gov/) with the site name of “Western Forge & Flange Co”; case #T0000001598; local case #R00003009.

C. **Easements** – There are two easements affecting the site:

1. **PG&E** – Has an easement on the western edge of the site for overhead power lines. Construction activities will need to avoid the power lines. The GPa site plan assumes use of the area under the power lines for surface parking and storage, which will need to be confirmed as permissible.
2. **EBMUD** – Has an easement affecting the northeastern corner of the site to provide water to the site. It will be necessary to negotiate a modification of this easement to allow a portion of the shed structure to be built.
IX. QUESTIONS DURING SUBMITTAL PERIOD

All questions should be directed by email to:
Patrick O'Keeffe
Project Manager
pokeeffe@albanyca.org

X. SUBMITTAL TIME LINE
Deadline for submittals is 12 p.m. Friday July 11, 2014.

Deliver submittals to:
Nicole Almaguer, City Clerk
City of Albany
1000 San Pablo Avenue
Albany, CA 94706
Attention: RFP Albany Public Works Service Center

Attachments:

1. GPa Design Package
2. GPa Bridging Documents and Specifications
3. Plan showing Clear Channel Sign Location
5. Combined Building Footprint & Remediation Plan
6. Soils Certification letter
7. Soils Management Plan
City of Albany - Public Works Service Center

Bridging Documents - Design Package

May 30, 2014

Disclaimer: All colors shown are print representations to depict proposed location of wall color placement. Actual colors may vary. This is due to the fact that every monitor and/or print has a different capability to display colors and that colors represented in the drawing can change with varying light conditions. We cannot guarantee that the color you see accurately portrays the true color of the paint. If color match is critical please request a color sample.