

4B. Consideration of authorizing the solicitation of a request for proposals for a construction manager for the construction of a new public works facility

Prepared by: Public Works Director/City Engineer	Meeting Date: 8/14/2023	<input type="checkbox"/> Consent Agenda Item <input checked="" type="checkbox"/> Regular Agenda Item
Reviewed by: Community Development Director, Finance Director	Approved by: City Administrator	

ACTION REQUESTED

Motion to authorize solicitation of a request for proposals for a construction manager for the construction of a new public works facility.

PREVIOUS COUNCIL ACTION

November 8, 2021: Authorized the purchase of parcels 213100151400 and 213100153100 for a new public works facility.

September 26, 2022: Authorized the solicitation of proposals for professional services for the New Public Works Facility project.

November 28, 2022: Authorized Oertel Architects to provide professional services for the construction of a new public works facility.

REFERENCE AND BACKGROUND

The long-term facility needs for the public works department has been a goal for the City of Monticello for more than a decade. In addition, the City Council identified it as a priority project during the strategic planning sessions in 2021 and again in 2023. The City’s current public works facility is located at 909 Golf Course Road. It was originally constructed in 1975, and the most recent addition was added in 1995 for vehicle storage. The facility is showing its age with repair costs, and the configuration of the site limits expansion possibilities.

A 2007 needs study recommended construction of a new facility at a new 20–30- acre location to allow adequate space for future expansion opportunities. In 2019 the assessment was updated to include more recent data and retained the recommendation to build a new facility. In addition, the City completed a 2022 assessment confirming the existing facility would require a significant investment in repair and maintenance costs to remain a functional location. After reviewing the assessment, City Council directed staff to pursue a new facility site.

Meeting the site size requirements necessitated a site search in the community. Following the most recent review of two locations, one in Otter Creek Industrial Park and the other near the water tower on School Boulevard, the City Council authorized the purchase of approximately 70-acres with a portion of the property expected to be utilized for a new public works facility.

With a site secured, the City contracted with Oertel Architects to provide architectural services. Oertel has been working to reconfirm the 2019 needs study based on population growth trends and existing and proposed department size. The request for proposals and contract with Oertel Architects assumed that the City would secure a construction manager for delivery of the project.

A construction manager will assist the City with pre-construction and construction services. The pre-construction services would include assisting with development of the plans, specifications, and cost estimates. In addition, the construction manager will assist with finding ways to achieve the highest quality construction and recommend alternative construction options to achieve cost savings during the design phase. During the construction phase, the Construction Manager will actively work through project management, coordination, and timelines. The construction manager will be responsible for the construction of the project and will coordinate with the architect, contractor(s), and the City to ensure delivery of a product meeting the City's expectation for design and cost.

A draft Request for Proposals is included, providing a detailed scope for the Construction Management services. It provides flexibility allowing for prospective firms to submit proposals for either "at-risk" or "as advisor." However, if the City Council prefers to pre-determine the type of construction manager to utilize for the project, the RFP can be adjusted to fit that model.

- The current agreement with Oertel Architects anticipated the use of a Construction Manager At Risk (CMAR). With this method, the construction manager is part of the design process to help establish accurate costs and guides development of the plans with a perspective based on eventual construction. In this model, the construction manager provides a maximum project cost and holds all contractor/subcontractor contracts.
- The current agreement can be modified if Council would prefer to use a Construction Manager as Advisor (CMA). This still includes a construction manager participating in the design process and helping to establish accurate costs, but the CMA would act in an advisory capacity during construction rather than acting on the City's behalf.

If authorized to release the RFP, staff expects to review submittals and conduct interviews with finalists early this fall. The construction manager would be selected based on a combination of qualifications and price with final City Council selected anticipated in October.

- I. **Budget Impact:** The 2023 budget includes \$5,000,000 in anticipation of the beginning steps of the project commencing. However, the budget is offset by bond proceeds which, due to timing of the project, will not be issued in 2023. There is currently \$400,000 set aside in a PW Facility sub-fund to be used for this type of preliminary work (including the architect services) prior to construction.
- II. **Staff Workload Impact:** City staff will be involved throughout this project.
- III. **Comprehensive Plan Impact:** The planning for the Public Works facility is a result of the 2040 strategy “Regularly conduct evaluations and needs assessments of the Public Works facility and other City buildings.”

STAFF RECOMMENDED ACTION

The construction of a new public works facility is a significant investment for the City of Monticello. Based on the current timeline, staff recommend proceeding with issuing a request for proposals to begin the process of selecting a construction manager for the project. This type of service is an investment in the design and construction of projects of this scope and magnitude. However, staff will defer to the Council if the elected officials prefer additional discussion about the preferred type of construction manager or best time to incorporate them into the process.

SUPPORTING DATA

- Draft RFP Document
- Project Delivery Memo



REQUEST FOR PROPOSALS FOR CONSTRUCTION MANAGEMENT SERVICES FOR A NEW PUBLIC WORKS FACILITY

SECTION 1: GENERAL INFORMATION

Contract Administration

All persons or firms who download this RFP are requested to register their name and email address by sending an email to matt.leonard@ci.monticello.mn.us. Any revisions or corrections to this RFP after it has been advertised will be communicated to those registered RFP holders. Failure to register your contact information is at your own risk. A proposal will not be considered if it fails to include all requested information as detailed in this original RFP and any subsequent modifications.

Acceptance of Proposal Contents

The contents of this RFP will be included as part of the contractual obligations if a contract ensues. All information in the proposal is subject to disclosure under the provisions of Minnesota Statutes Chapter 13 – Minnesota Government Data Practices Act.

Project Overview

The City of Monticello intends to obtain the services of an experienced construction management firm to assist the City with Phase 1 (pre-construction) and Phase 2 (construction) services. The City seeks to employ a team with experience in this type of facility and a successful history of collaborating on the same or similar type of project.

Feasibility studies were completed in 2007 and 2019, and property was acquired in 2021 for the construction of a new facility. Since the most recent feasibility study, the City completed an internal reorganization, creating a new Parks and Recreation Department currently housed out of a separate facility as well as incorporating a facilities maintenance department into Public Works. The impact of this change is being considered in the design and adaptability of the new facility.

Oertel Architects has been selected as the project architect for the new facility. The construction manager will aid during the design phase of the project as well as act as the construction/project manager through construction and warranty.

Initial studies indicated a new facility should be approximately 100,000 square feet. The building will permanently house the following divisions of public works:

- Water/Sewer
- Streets
- Shop/Garage
- Facilities Maintenance
- Engineering

In addition, the facility will need to accommodate specific needs of departments not operating out of the building day-to-day, including seasonal storage for parks equipment and capacity for local elections and to accommodate a citywide IT server location.

SECTION 2: OVERALL SCOPE OF SERVICES

The services required of the consultant are anticipated to begin in Fall 2023 with construction starting in spring 2024 for completion in 2025.

The City is considering either Construction Manager as Advisor or Construction Manager At-Risk. Therefore, all respondents should be prepared to discuss their experience on public projects with both types of Construction Manager services and the benefits and potential issues of each method. The City reserves the right to select a CM without designating the ultimate form of service and shift to or from either model after retaining the Construction Manager. The following are general work tasks and deliverables that shall be included in the consultant's scope:

Phase 1 (Preconstruction) Scope:

- Assist with development of plans, specifications and cost estimates, as needed
- Coordinate all permitting requirements, review compliance with local and state codes
- Attend design review and Design Team meetings
- Provide value engineering and constructability reviews for civil, structural, mechanical and electrical systems to ensure project budget and design standards are maintained.
- Provision of timely and accurate information, cost and time estimates and participation in decisions regarding construction materials, methods, systems, phasing and costs to achieve the highest quality construction and facilities within the budget and schedule
- Provision of information to inform City and A/E of current construction market, bidding climate, status of key sub-contract markets and other local economic and weather-related conditions
- Assessment and recommendation of alternative construction options to achieve cost savings

- Recommendation of division of work to facilitate bidding and award of trade contracts including factors such as bidding climate, weather, accelerating milestones and related issues
- Recommendation of appropriate number of bid packages including sub-contractor bidding, bid phasing and identification of any elements of the Project that may require special procurement processes including but not limited to the prequalification of bidders or qualifications-based selection
- Assist in preparing advertisements for bids
- Develop and coordinate all bid packages
- Assist in responding to bidders and receiving and evaluating bids
- Provide recommendations for accepting bids and awarding contracts

Phase 2 (Construction) Scope:

- Assist in award and execution of construction contract documents
- Schedule and lead pre-construction meeting(s)
- Identify and recommend procurement of long lead items
- Coordinate required approvals from local and state code and regulatory agencies
- Establish and maintain a project financial status reporting system
- Coordinate work between contractors and consultants
- Administer the construction contract in conformance with the requirements set forth in the Plans and Specifications
- Conduct weekly construction progress meetings with the City, Design Team, Contractors, affected outside Agencies, and other consultants to discuss matters such as procedures, progress, problems, and scheduling. Prepare and distribute meeting agenda and minutes
- Review and process all shop drawings, project data, samples and other submittals. Establish and implement procedures for expediting the processing and approval
- Coordinate submittal review with the Design Team and City Departments
- Coordinate and schedule construction surveying
- Coordinate testing requirements and scheduling of material testing and inspections; ensure reports are provided to City Department of Building Safety & Code Enforcement
- Develop, monitor, and enforce construction schedules
- Process partial and final pay requests

- Analyze, negotiate, and recommend change orders, if needed
- Prepare project reports and schedules
- Develop and implement quality assurance and control plans
- Maintain record documents
- Assist in substantial and final completion inspections and preparation of punch lists
- Certify contractor payment applications
- Coordinate construction site safety program
- Oversight of the occupancy process
- Provision of warranty plan services
- Communicate as required with local officials and regulatory agencies
- Provide close out documentation to the City of Monticello within 180 days of substantial completion
- Assist with project coordination extending through the warranty period

Fee Summary

- Proposals must include separate lump sum fee proposals for Phase 1 and Phase 2 services.
- Proposal fees must include all costs anticipated to be incurred by the CM to complete Phase 1 and Phase 2 services including costs related to meals, travel, mobilization, attending meetings, etc.

SECTION 3: PROPOSALS

The proposal shall contain the information summarized below. Additional information is allowable if directly relevant to the proposed project.

Proposal Format

The submittal should follow the Table of Contents listed below:

1. General Information
2. Project Understanding
3. Project Approach
4. Proposed Project Team and Experience
5. Schedule
6. Additional Information (as deemed necessary by Proposer)
7. Detailed Fee Schedule
8. Insurance Certificate

A brief description of each section is included below.

1. General Information

General information and a brief history of the CM's firm. Include similar information on key subconsultants, if any, proposed for the project.

2. Project Understanding

A summary of the CM's understanding of the work.

3. Project Approach

Provide specific approaches, methods, and assumptions that will be utilized to accomplish the development of this project, including each work phase.

4. Proposed Project Team and Experience

- Identify the key project team members and describe their specific roles on the project. Include key team members from sub-consultant firms if any.
- Describe relevant experience and provide information on at least three (3) reference projects completed in the last five (5) years. Provide references and contact information.
- Include one-page resumes only for key members of the project team, including field personnel.
- Include specific descriptions of proposed team members' roles on reference projects. Provide a contact name and information for each of the projects.

5. Schedule

A proposed schedule from project initiation to final completion. The schedule should include a listing of key tasks within each phase, key milestones and approximate dates, and deliverables.

6. Additional Information

Include any other information that is believed to be pertinent, but not specifically requested elsewhere in this RFP.

7. Detailed Fee Schedule

The consultant cost should be separated out as follows:

- a. Proposed costs for each scope of work for the project as listed in Section 2.
- b. Hourly rates for all consultant employees who are expected to work on this project. These rates shall be the agreed upon costs for any additional services requested by the city, above what is detailed in the scope of this RFP.
- c. Reimbursable costs including detail of service or item and applicable charge per unit.
- d. Not to Exceed cost for the project.

8. Insurance Certificate

Indicate ability to provide all necessary insurance certificates.

SECTION 4: CM SELECTION

Proposals will be reviewed and evaluated by a team of city staff using the following criteria:

1. CM firm and key project staff experience with similar projects
2. Understanding of technical issues and sound technical expertise
3. Proven track record of successfully completing similar projects. Successful experience of both the firm itself and the individual team members will be considered
4. Proposed approach to completing the project
5. Proposed CM cost

Following review of the proposals, the City may ask firms to make a presentation to city representatives, including the City Council. Final selection of a consultant will be made by the Council with a contract negotiated as follows:

1. If, for any reason, a firm is not able to commence the services in that firm's Proposal within 30 days of the award, the City reserves the right to contract with another qualified firm.
2. The City shall not be liable for any expenses incurred by the consultant prior to the signing of a contract including, but not limited to, the Proposal preparation, attendance at interviews, or final contract negotiations.
3. The Proposal must be signed in ink by an official authorized to bind the consultant to its provisions that will be included as part of an eventual contract. The Proposal must include a statement as to the period during which the Proposal remains valid. This period must be at least 90 days from the date of the submittal.
4. The City reserves the right to reject any and all proposals submittals, waive all technicalities, and accept any proposal deemed to be in the city's best interest.
5. Proposers are solely responsible for delivering their proposals to the city before the deadline. Any proposal received after the deadline will not be considered.

SECTION 6: SCHEDULE

During the evaluation process, the City shall reserve the right to request additional information or clarifications from a vendor, or to allow corrections of errors and/or omissions. The tentative schedule for the CM selection process is set forth below; however, the City reserves the right to modify this schedule as necessary. Respondents may submit written questions and requests for clarification via email to matt.leonard@ci.monticello.mn.us for consideration at the optional pre-proposal meeting. A pre-proposal meeting will be held at 2:00 PM on September xx 2023 at the City Hall, located at 505 Walnut Street, Monticello.

Event	Date
RFP Available for Distribution	

Pre-proposal meeting 2:00 PM	
Deadline for RFP Questions	
RFP Responses Due	
Review of RFP's Completed	
Short list firms notified and interviews schedules	
Interviews of Short-Listed Finalists (if necessary)	
Evaluation Committee final decision	
Anticipated City Council Recommendation	

SECTION 6: CONTRACT TERMS AND CONDITIONS

Upon selection of a consultant, an Agreement or Contract for Services, attached to this RFP, shall be entered into by the city and the CM. It is expected that the contract will provide compensation for actual work completed on a not to exceed basis as well as the following conditions:

1. Deletions of specific itemized work tasks will be at the discretion of the City. Payment or reimbursement shall be made based on tasks that have been satisfactorily completed. Billing that exceeds the not to exceed amount will not be compensated unless a contract amendment has been approved in advance by the city.
2. The city shall retain ownership of all documents, plans, maps, reports, and data prepared under this proposal. The City shall be provided hard copy and digital documents throughout the project.
3. If, for any reason, the consultant is unable to fulfill the obligations under the contract in a timely and proper manner, the City shall reserve the right to terminate the contract by written notice. In this event, the firm shall be entitled to just and equitable compensation for any satisfactory completed work tasks, as determined by the City Engineer.
4. The consultant shall not assign or transfer any interest in the contract without prior written consent of the City.
5. The consultant shall maintain comprehensive general liability insurance in accordance with Section 466.04 of the Minnesota Statutes.
6. The consultant shall defend, indemnify and hold harmless the City of Monticello, its officials, employees and agents, from any and all claims, causes of action, lawsuits, damages, losses or expenses, including attorney fees, arising out of or resulting from the consultant's (including its officials, agents, subconsultants or employees) performance of the duties required under the contract, provided that any such claim, damages, loss or expense is

attributable to bodily injury, sickness, diseases or death or injury to or destruction of property including the loss of use resulting therefrom and is caused in whole or in part by any negligent act or omission or willful misconduct of consultant.

7. The consultant contract shall be governed by the laws of the State of Minnesota.
8. Project summaries shall be submitted with each invoice during the course of the project. Each summary shall detail the amount billed to date, work items that need to be completed, the estimated costs to complete these tasks and the projected timeline for the completion of the project. Invoices submitted to the City shall include a detailed breakdown of times, personnel, mileage, etc. chargeable for that period.

SECTION 7: CONCLUSION AND SUBMITTAL

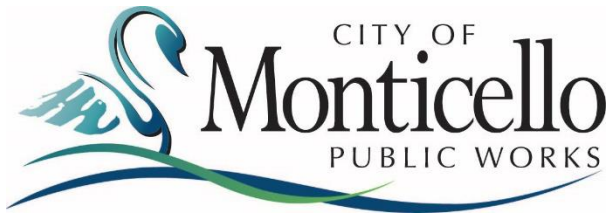
Any requests for additional information needed for the preparation of the proposal should be directed via email to Matt Leonard at matt.leonard@ci.monticello.mn.us. All questions must be received before 4:30 pm, **September ??, 2023**. No responses will be provided for questions received after that time.

Please provide one electronic (pdf) copy of the proposal for the evaluation process.

Proposals will be accepted until 11:30 a.m. on September ??, 2023.

Attachments:

Additional reference material to be provided to registered applicants.



Date: August 10, 2023

To: Monticello City Council
Rachel Leonard, City Administrator

From: Matt Leonard, PW Director/City Engineer

Re: Project Delivery Options- New Public Works Facility

Minnesota state statute 471.345 requires cities to utilize a competitive bidding process for construction projects greater than \$175,000. This competitive bidding process can be met either by utilizing a competitive bidding process or by utilizing best value contracting.

Competitive Bidding Process

The traditional competitive bidding process is typically as follows:

- Engineer or purchasing agent prepares plans and specifications.
- A request for bids is placed in the city’s official newspaper and an approved trade journal depending on project size.
- City Council may award the project to the lowest responsible bidder

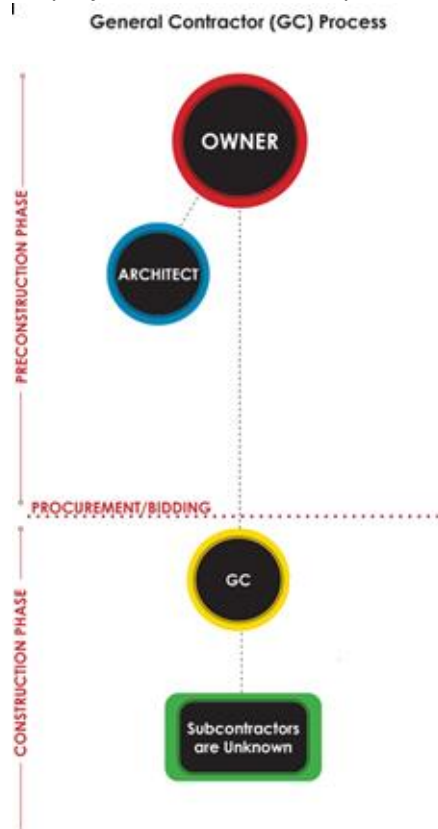


Figure 1

Best Value Process

Best value contracting may also be utilized. This process allows city's to issue a request for proposal process and select a contractor based on performance factors along with price. The common delivery method for best value contracting include:

- Construction Manager – as Advisor
- Construction Manager – at Risk
- Purchasing Cooperative similar to Sourcewell

Construction Manager As Advisor

For a Construction Management as Advisor, (CMA), project delivery process the construction manager is brought in during design as a member of the project team early on in project development typically. They will assist with helping establish accurate project costs and be a technical resource to the other members of the design team. Once the design is completed construction manager will assist with bidding out all of different trade contracts for the city and each trade contractor will contract directly with the city for their portion of the project. The CMA will assist the city in coordinating these various contracts. A graphic showing this method can be found below.

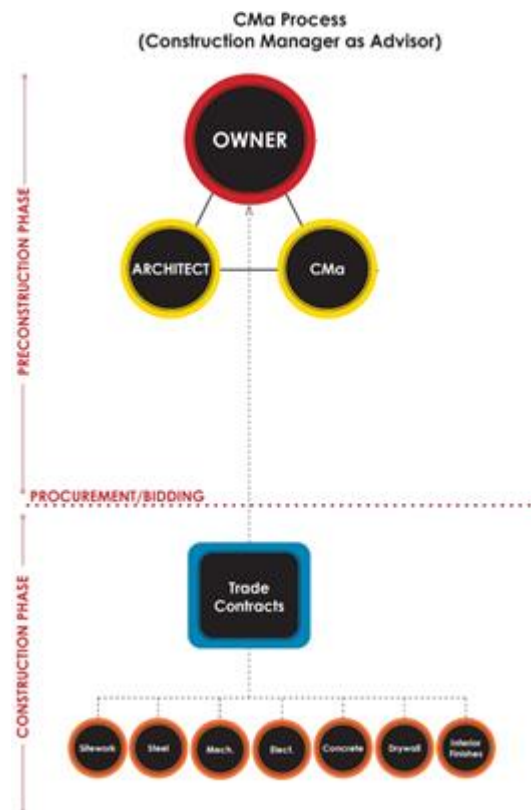


Figure 2

Construction Manager at Risk

For a Construction Management at Risk, (CMAR), project delivery process similar to the CMA process the construction manager at risk contractor is brought in as a member of the project design team early on in project development process. They will also assist with helping establish accurate project costs and be a technical resource to the other members of the design team. The major difference the CMAR and the CMA is that once the design is completed construction manager at risk will prepare a maximum project cost and will guarantee that price and the construction manager will hold all of the subcontractor contracts.

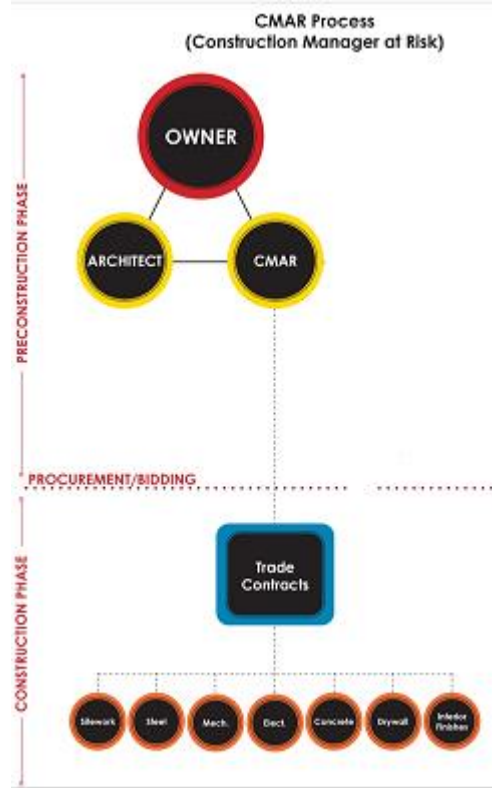


Figure 3

Purchasing Cooperative

A purchasing cooperative that the city has utilized on previous project is the Sourcewell system where a master contract is publicly bid and city's can utilize these master contract unit prices for many different types of improvement projects.