



Legislation Text

File #: 18-1261, **Version:** 1

Chief Administrative Office, Facilities Division, recommending the Board authorize the Purchasing Agent to sign Amendment I to Agreement for Services 244-S1810 with AMG Management Group LLC to increase compensation by \$250,000, for an amended not-to-exceed amount of \$395,000, and extend the term for one additional year (expiring 12/4/19) to provide facility project management and real estate development services.

FUNDING: Accumulative Capital Outlay Fund, Board of State Community Corrections (BSCC) Senate Bill 81 and Senate Bill 844 grant funding.

DISCUSSION / BACKGROUND

On November 7, 2017, the Board approved Agreement for Services 244-S1810 with AMG Management Group LLC to provide on-call project management and real estate development services for a one year term and a not-to-exceed amount of \$145,000. In accordance with Procurement Policy C-17, Section 7.11, Facilities Division and one representative from outside the department reviewed the scope of services and the consultant's professional qualifications prior to Board approval of the agreement. The contract is for one year and is set to expire December 4, 2018.

The Facilities division currently has over \$125 million of major capital projects in various stages of development or construction. AMG's expertise with complicated projects of this nature has assisted staff in moving these projects forward. Such projects include the proposed Placerville Jail expansion, a new Placerville Juvenile Hall, plan options for the County's Air Quality Management District, and the South Lake Tahoe Health & Human Services campus project, renovating the newly acquired post office building and razing and replacement of the El Dorado Center, to name a few. Since December, AMG has provided significant preconstruction services entailing strategies for project administration and delivery, working as a liaison and point of contact with County departments and other internal and external project stakeholders, communicating with Architects and Engineers as well as the granting authorities of the State. He has also provided the County with planning direction and conceptual design ideas and estimating. Projects of this scale and complexity require a specialized skill set and are better suited to contract for when required to supplement the Division's current strengths.

Due to the scale and complexities of these large projects it is necessary to increase compensation and term so that the Division retains this assistance. On April 6, 2018 the Division released a Request for Qualification (RFQ) for Project Management services in an effort to ensure best value for these services. The scope of work for these services will include consultation on real property due diligence, overall project delivery strategy, structure and organization of prime contracts with designers, contractors and vendors; assistance with the preparation of documents for procurement of design-builders, and participate in identifying and selecting those firms. Services also include risk management, site analysis, cost reporting, conceptual estimating, scheduling, forecasting, project review, bid review, coordination and assembly of performance specifications, presentations and report generation. The PM may also make recommendations to the County with respect to overall project administration such as payment applications, change orders and disputes and will assist in

maintaining the project budget and cost projections. Specific work orders will be issued identifying the services to be performed.

Eleven responses were received and reviewed, including AMG, all eleven were deemed qualified and placed on a short list.

While AMG's expertise and value was determined to be good prior to this RFQ, the evaluation process that followed demonstrated the same in comparison to other consulting firms. The Division obtained hourly rates from several respondents that ranged from \$140 per hour to \$250 per hour. AMG has agreed to hold their price at \$140 per hour. It is anticipated that AMG will continue to perform project management work on the Placerville Jail expansion, the new Placerville Juvenile Hall, and South Lake Tahoe HHSA Campus project, to name a few.

The Division recommends approval of this Amendment to increase compensation by \$250,000 for a not-to-exceed amount of \$395,000 and extend the term an additional year. This term extension and increase in the agreement amount will enable the County to enlist AMG for more work on these projects as project design and construction gets underway. With the extent of new project work, AMG will be tasked with assisting the Facilities Division with additional preconstruction service on other task or projects directed by the Board.

ALTERNATIVES

The Board could choose to not extend the agreement, or could choose another consultant from the short list of qualified Project Managers for a negotiated contract, or could issue a Request for Proposal to select a consultant that meets the needs for a specific project. However, the hourly rate for the consultants was up to \$250 per hour. The Division could try to recruit in-house staff to cover this specialty work. The work is for a limited term. Given the current employment options available to these highly skilled real estate development, design, and construction specialists the Division has not been successful in the past of recruiting for part-time, limited term work. This alternative could result in an increase in project costs and delays with no guarantee of completing a successful recruitment. Delays in the jail expansion project could also jeopardize the funding.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

NA

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Funding is included in the FY 2018-19 Accumulative Capital Outlay fund as part of the budgets for the jail expansion, juvenile hall, AQMD and HHSA SLT campus projects.

CLERK OF THE BOARD FOLLOW UP ACTIONS

NA

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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