



Agenda Memorandum

Agenda Item – {{section.number}}.F.

City Council Meeting
May 12, 2025



Strategic Priority 5: Resilient Infrastructure

Maintain and invest in resilient infrastructure that creates the highest return for safety, community connectivity, enjoyment of life, and local economic success.



Strategic Priority 6: Organizational Vitality

Develop and sustain an environment where employees and the organization are equipped and supported to deliver outstanding service to everyone in Westminster.

Subject: Authorize the City Manager to Execute Citywide On-Call Construction Management Service Agreements for Large Projects with Alfred Benesch & Company; Felsburg Holt & Ullevig, Inc.; and Geocal, Inc.

Prepared By: Aaron Kirchner, Senior Engineer
Dana Kester, Facilities Projects Administrator
John Burke, City Engineer

Recommended City Council Action:

Authorize the City Manager to execute on-call service agreements with Alfred Benesch & Company; Felsburg Holt & Ullevig, Inc.; and Geocal, Inc. for citywide construction management services for large projects, with a total annual expenditure not to exceed \$1,000,000 per contract.

Summary Statement:

- The City regularly utilizes professional construction management services to assist with project management, contract administration, special inspections, material testing, and federal funding compliance.
- On-call task order-based contracts allow the City to establish agreements with pre-selected vendors, and the work is assigned through individual task orders as needed. Task orders are project-specific agreements issued under the citywide on-call agreement, ensuring consistency in scope, pricing, and compliance.
- As noted in the Transition to Centralized Procurement and Citywide Contracts Update Staff Report included in the May 12, 2025, City Council agenda packet, these on-call construction

management services agreements are part of efforts intended to streamline procurement through pursuit of more citywide contracts for regular contracted work, such as on-call electrical, construction management, utilities' repair services, etc. These efforts aim to enhance efficiency, cost effectiveness, and expertise in procurement while fostering both citywide and regional collaboration. Please see the Information Only Staff Report in the May 12, 2025 packet for additional information.

- On-call contracts are a very efficient contracting method used effectively by multiple municipalities in the Denver Metro region. It reduces the time to initiate projects by 17 weeks on average compared to a traditional procurement schedule, allowing faster project execution, greater flexibility, and better resource management.
- On-call contracts do not obligate the City to expend any funds. Task orders can only be issued and funds encumbered when budget is available from an existing City Council approved source. All departments in the City can utilize these services to help deliver capital projects.
- A Request for Proposals (RFP) for on-call construction management services was advertised for five weeks and received nine proposals. The top three firms were selected.
- The proposed on-call construction management services contract for large projects is proposed as a pilot with pre-selected vendors noted in this memo. This will serve as an opportunity to evaluate the efficiency and effectiveness of utilizing such on-call construction management services through pre-selected vendors over the course of the next 12 months.
- On-call contracts are compliant with bidding requirements outlined in Title 15 of the Westminster Municipal Code (W.M.C.) and increase efficiency in commencing work for these construction management services.

Fiscal Impact:

Not to exceed \$1,000,000 annually per contract in expenditures

Source of Funds:

Citywide Approved Operating and Capital Improvement Program Budget Accounts

Policy Issue(s):

1. Should City Council authorize the City Manager to execute on-call service agreements with Alfred Benesch & Company (Benesch); Felsburg Holt & Ullevig, Inc. (FHU); and Geocal, Inc. (Geocal) for citywide construction management services with a total authorized expenditure not to exceed \$1,000,000 per contract?
2. Should City Council authorize an alternative contract length and/or authorized dollar amount?

Alternative(s):

1. City Council could choose not to execute on-call service agreements with Benesch, FHU, and Geocal. This alternative is not recommended as the City has multiple projects requiring these services. Individually procuring these services would delay construction schedules and risk federal funding compliance.

2. City Council could choose to execute a reduced number of agreements or a different authorized dollar amount. This alternative is not recommended because awarding multiple agreements provides greater flexibility in pricing and consultant availability, ensuring the best value for the City.

Background Information:

The City regularly utilizes professional consultants to assist with construction management services. These consultants provide expertise including project management, public outreach, special inspections, material testing, and federal funding compliance. Additionally, they are required to provide liability insurance for various issues that can arise as a direct result of their services, further protecting the City. This approach allows Staff to manage multiple projects simultaneously, thereby, minimizing overall liability to the City and maximizing project value to the community.

On-call contracts for construction management services are recommended whereby agreements are established with pre-selected vendors for a set period, allowing work to be assigned through individual task orders as needed. Each task order functions as a project-specific agreement issued under the citywide on-call agreement, maintaining consistency in scope and pricing while ensuring compliance with City procurement policies. These are citywide on-call contracts and can be utilized by all departments. No funds are obligated until a task order is executed.

Utilizing on-call construction management services as proposed for large projects provides the City an opportunity to pilot this approach over the next 12 months for construction management services with pre-selected vendors. Staff will monitor the efficiencies and value provided; Staff may then return to City Council next year with a proposal to extend these on-call contracts based upon experience during this pilot. The renewal would be subject to annual performance evaluations, limiting the City's risk by ensuring that only high-performing, cost-effective consultants are retained. The three on-call contracts proposed include the top three consultants for general construction management services. All selected firms submitted exemplary proposals, are highly qualified, and have positive references.

The proposed contract amount for each firm is based on the existing and past needs for construction management services. In the past four years, PWU alone leveraged more than \$7.6 million in construction management services for large projects, which included Sheridan Underpass, Westview Recreation Center, Swim and Fitness Center remodel, and 92nd Avenue and Eaton Street Safety Improvements. For 2025, there are four PWU identified projects totaling an estimated \$1.6 million in construction management services for large projects that meet the intent of this on-call contract. These projects include the Railroad Quiet Zones, Federal Parkway Widening, Highway Safety Improvement Program (HSIP), and the annual Streets Maintenance and Concrete Replacement Project. Other departments, such as Parks, Recreation and Libraries and Community Services, have expressed interest in utilizing this contract.

The on-call contracts themselves do not obligate the City to expend funds. Task orders are executed only when needed for specific projects as they progress. Funds will only be encumbered at that time. Similar to other agreements, task order totals cannot exceed the established limit without returning to City Council for approval.

Every year, Staff manages multiple procurements. Each procurement task requires a substantial amount of time and effort. For example, the following table is a traditional procurement timeline for consulting services compared to an on-call structure:

	Traditional (in weeks)	On-Call (in weeks)
Preparation and review of RFP	6	1
Advertisement (questions, pre-proposal meeting, etc.)	5	N/A
Review and evaluate proposal submissions	2	1
Short-listed consultant interviews	2	N/A
Fee negotiation, authorization, and contract execution (or task order)	6 (contract)	2 (task order)
TOTAL	21	4

In total, it can be approximately 21 weeks (4.5 months) on average from the preparation of a Request for Proposals to the execution of a contract with the selected firm. With an on-call contract, if approved by City Council, it will take four weeks on average to receive a proposal from the consultant, review and negotiate the fee, and execute a task order. This will reduce the time it takes to initiate a project by 80 percent. Rather than conducting multiple separate procurements for each project, a project can proceed with a single on-call contract RFP, allowing faster project execution, greater flexibility, and better resource management. With this on-call contracting structure, any department in the City can utilize these services within the authorized expenditure levels effectively to ensure a high quality of construction in the city.

The on-call contract model reduces the number of individual procurements prepared and advertised. This change directly improves efficiency, reduces redundancy, and minimizes time spent on advertising, reviewing, and acquiring the same services. On-call contracts are a low-risk opportunity to reduce the workload involved in the procurement process while ensuring the same high-quality services on an ongoing basis, complying with the City's procurement policies, and prioritizing the community's interests. Additionally, this model benefits prospective consultants by limiting their marketing costs and proposal risks, making the City a more attractive long-term business partner. Instead of submitting proposals for multiple projects, firms can compete for a single on-call contract, reducing the financial burden of pursuing City work.

Purchasing procedures are outlined in Title 15 of the W.M.C., which establishes the City's formal procurement requirements. This includes competitive bidding, contract approvals, financial controls, and vendor prequalification to ensure transparency, efficiency, and compliance in all purchasing agreements. The recommended on-call contracts comply with Title 15 of the W.M.C. and provide more transparency and accountability for City Council and the taxpayers. By authorizing these proposed on-call contracts, the City has better flexibility and accountability for all departments utilizing these services appropriately and efficiently. One point of contact for these contracts is coordinated through the City Engineering Division to track all requested task orders to ensure the on-call contract is implemented in the intent as described in this memorandum and by the W.M.C.

The City's Strategic Priorities of Resilient Infrastructure and Organizational Vitality are supported through these agreements by ensuring all standards and procedures are followed to the highest practicable standard during the construction and maintenance of assets for which the City is responsible, and by ensuring faster project delivery, reduced administrative burden, minimized risk, and continued compliance with all procurement regulations, ultimately maximizing value for the community.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Andrews', with a long horizontal flourish extending to the right.

Jody L. Andrews
City Manager

Attachments:

- Benesch Contract Substitution Page
- Felsburg Holt & Ullevig, Inc. Contract Substitution Page
- Geocal, Inc. Contract Substitution Page