



Agenda Memorandum

Agenda Item – {{section.number}}.A.

City Council Meeting
May 8, 2023



Strategic Priority 2: Proactive Public Safety

Enhance public safety to emphasize both prevention and enforcement, engage the community through education and outreach and provide the resources necessary to ensure safety and well-being throughout Westminster.

Subject: Agreement with Artaic Group, LLC for Owner's Representative Services for the Replacement Municipal Court

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Recommended City Council Action:

Authorize the City Manager to execute an agreement with Artaic Group, LLC for owner's representative services for the replacement Municipal Court in the amount of \$530,604, plus a 10% contingency of \$53,060, for a total authorized expenditure not to exceed \$583,664.

Summary Statement:

- On December 12, 2022, City Council gave Staff direction to move forward with the design of a replacement Municipal Court.
- The first step in a project of this size is the selection of an owner's representative to act as an advocate for the City and ensure that the project runs smoothly, stays on budget and on schedule, and meets the City's goals and objectives.
- Owner's representatives augment Staff and provide specialized expertise in managing projects of this type.
- Staff conducted a two-step procurement process for owner's representative services, with a request for qualifications (RFQ) publication in January 2023 and a request for proposals (RFP) publication in March 2023.
- Artaic Group, LLC (Artaic) presented the best value based on qualifications, project experience, understanding of the scope of work, references, and proposed fee.

- The scope of the owner's representative services for the replacement Municipal Court project includes professional management and consultation services during design, construction, occupancy, and project close-out.
- The not-to-exceed fee is based upon a projection of the owner's representative services needed through the expected contract duration of 42 months.
- Adequate funds were included in the 2023 Budget and are available for this item.

Fiscal Impact:

Not to exceed \$583,664 in expenditures.

Source of Funds:

General Capital Improvement Fund: Replacement Municipal Court Facility

Policy Issue(s):

Should City Council authorize the City Manager to execute a contract with Artaic Group, LLC for professional owner's representative services for the replacement Municipal Court?

Alternative(s):

1. City Council could decline to authorize the contract with Artaic, and direct Staff to issue a new RFQ and RFP for the owner's representative services. This alternative is not recommended because Artaic was selected through a competitive procurement process and was determined to provide the best value to the City.
2. City Council could decline to authorize the contract with Artaic, and direct Staff to begin procurement of an architectural firm for design services without the support of an owner's representative. This alternative is not recommended because an owner's representative will allow the City to augment its project management capacity and provide an additional layer of oversight and expertise in project cost management, construction schedule management, quality assurance and control, and risk management.

Background Information:

The Municipal Court is the oldest City facilities, with the oldest portions built in 1961. The current facility was originally two smaller buildings, which served as City Hall and the Police Station. Over multiple renovations and additions, the two buildings were merged to form the existing facility. The site was repurposed for its current use as the Municipal Court approximately 30 years ago.

In 2016, Anderson Hallas Architects (AHA) performed a study to assess the following:

- Evaluate the existing and future space needs of the Municipal Court;

- Plan for a safe and secure, and efficient Municipal Court building;
- Evaluate potential site locations; and
- Develop an opinion of probable costs for a replacement facility.

A second study was conducted by AHA in 2022, which assessed the physical condition and functional aspects of the current Municipal Court, including security, accessibility, space needs, and adjacencies.

On December 12, 2022, City Staff and AHA presented the results of the study, along with options to continue operating the building as-is, to renovate the existing building, or to construct a replacement building. Opinions of probable costs were presented with each of the design options. City Council gave Staff direction to begin the process of designing a replacement building.

For a project of this size and value, it is standard practice to hire an owner's representative to complement the City's project manager. Owner's representatives provide additional high-level expertise, guidance, and support to ensure the success of the project. Hiring an owner's representative also allows the City to increase and decrease staffing levels as needed over the course of the project.

On January 31, 2023, an RFQ for owner's representative services was published on Bidnet Direct. Eight firms submitted statements of qualifications (SOQ). The selection committee scored the SOQs in accordance with the evaluation criteria set forth in the RFQ, and selected Artaic Group, LLC, Cumming Group, and Dunakilly Management Group Corporation to participate in the RFP phase of the procurement.

On March 3, 2023, an RFP was published on Bidnet Direct and made available to the top three firms. In addition to the responses requested in the RFP, firms were required to provide a fee proposal and participate in an interview with the selection committee. The selection committee independently scored the proposals and the interviews, based on the written responses, management summary, consultant's fee proposal, team fit, interview, and additional value-added services.

Artaic earned the highest cumulative score and was determined by the selection committee to present the best value to the City. Artaic is highly qualified, possesses comparable municipal project experience, demonstrates a full understanding of the scope of work requested, and submitted the lowest fee proposal and hourly billing rates for the anticipated scope of services. Artaic's references confirmed an excellent track record of delivering similar public projects on time and within budget.

Artaic's owner's representative service fees have been negotiated and reflect the full anticipated scope of work throughout the duration of the project. Engaging an owner's representative is expected to provide a net benefit over the life of the project by avoiding potential delays, cost overruns, and other issues that may arise during a construction project. Artaic will work collaboratively with the City's full-time project manager to ensure that all aspects of the project are managed effectively, efficiently, and meet the City's standards and specifications.

The City's Strategic Priority of Proactive Public Safety is met by pursuing the design and construction of a replacement Municipal Court, which will provide a safe and secure facility for judges, law enforcement, employees, and visitors.

Respectfully Submitted,

Mark A Freitag

Mark A. Freitag
City Manager

Attachments:

Contract Substitution Page for Agreement with Artaic Group, LLC