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CITY OF SAN ANTONIO AGENDA ITEM NO. 7
PUBLIC WORKS DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM

TO: Mayor and City Council

FROM: Thomas G. Wendorf, P.E., Director of Public Works

SUBJECT: Program Management Professional Services

DATE: November 17, 2005

SUMMARY AND RECOMMENDATIONS

This ordinance accepts a proposal and authorizes the execution of two professional services agreements with CH2M HILL, Inc. One agreement is for professional program management services to assist the Public Works Department in the administration of the 2005 Storm Water Revenue Bond Program, preliminary bond scoping services for the upcoming bond election, the development of a web-based program management portal, and staff augmentation services at an estimated amount of up to \$3,333,000 over a three year period; the second agreement is for professional program management services to assist the Public Works Department in the administration of the Local Agency Management (LAM) Program in an estimated amount of up to \$2,878,000 over a three year period. These agreements are necessary to assure timely completion of these projects and other related services as specified in the Request for Qualifications (RFQ). Both agreements are for a term of three years, with an option to extend for up to two additional years. Appropriation of additional fees associated with any extension of these initial agreements will require further Council action.

This ordinance also ratifies professional engineering services in the amount of \$80,000 payable to CH2M HILL, Inc., for services provided to augment staff in the Storm Water Engineering Section necessary to assist with the day to day operations as a result of 32% vacancies that currently exists within this group.

This ordinance authorizes funds in the total amount of \$6,211,000 payable to CH2M HILL, Inc.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

Over the last few years the Public Works Department has been fortunate to acquire additional funding from various sources to complete much needed infrastructure projects throughout the City. These funding sources include HUD 108 Loan funds, Advance Transportation District funds, Storm Water Revenue Bond funds, and federal funds through the Local Agency Management (LAM) program for an estimated amount of \$200,000,000. As the projects funded through these additional sources come to fruition, managing their design and construction will require additional staff and resources that are not currently available in Public Works.

Local Agency Managed (LAM) projects are those approved improvement projects for which the City of San Antonio has entered into an agreement with the Texas Department of Transportation (TxDOT)

to provide local government control over in efforts to provide expeditious and cost efficient project implementation. There are currently 21 LAM projects, with an estimated value of \$58.2 million, which the City of San Antonio will be responsible for advertising, awarding construction contracts, providing construction oversight and submitting billing statements to TxDOT for reimbursement of 80% of the construction, project administration and inspection costs. Once City Council approval is obtained, CH2M HILL will be utilized to provide program management of these projects as outlined in Table 1 below.

Table 1 Project Delivery Responsibilities			
Project Task	Responsible Party		
	Current	Proposed	
	COSA	COSA	Consultant
Project Planning	X	X	
Project Community Meetings	X	X	X
Design	X		X
Construction	X		X
Ordinance Preparation	X		X
Construction Inspection	X	X	X

The proposal to utilize the services of outside consultants to assist with program management was initially presented during the FY 2006 Budget presentations in July and was supported by the Citizens Bond Oversight Commission during their Annual Report which was presented to City Council on August 18, 2005.

Due to the large volume, size, complexity and concurrent implementation of all of these projects, it is in the best interest of the City to enlist the services of a Program Management firm to assist the Public Works Department in the management and administration of these projects. The scope of services for this work includes but is not limited to program management and administration, design firm management, design quality assurance and quality control review and coordination, bidding services, construction oversight, staff augmentation, project scoping and cost estimating for future projects, and document review as indicated in the Professional Services Agreements, included herein as Attachments 3 and 4.

The Capital Programs Division of Public Works has been experiencing severe staffing challenges and is currently only staffed at approximately 50% for engineering positions. This staff shortfall has been created by a robust market for Engineers and Architects in the private sector and corresponding salaries exceeding those within Public Works. The Public Works Department is collaborating with the Human Resources Department to address these challenges. Strategies include exploring more aggressive recruitment options such as revising the application process to allow more flexibility in candidate application and selection and adjusting salary ranges in response to the market competitiveness of these positions. Without the services of Program Management, the ability to deliver the 2005 Storm Water Revenue Bond and LAM projects would be greatly impacted and will result in Public Works' inability to meet project delivery expectations.

On May 23, 2005 the City released a Request for Qualifications from firms desiring to provide program management services, which was posted on the City's website. A total of thirteen (13) interest statements were received. City staff rated all firms giving consideration to qualifications, program management experience, quality of service and previous project performance. Of the thirteen firms, the following seven were selected for further evaluation through an interview process:

Carter Burgess
CH2M HILL, Inc.
Claunch and Miller, Inc.
Freese and Nichols, Inc.
Lockwood, Andrew and Newnam, Inc. (LAN)
Post, Buckley, Schuh & Jernigan (PBS&J)
Sunland Group

Following the interviews of these seven firms the Public Works Architectural and Engineering (A/E) Selection Committee met and discussed the statements of qualifications, as well as their evaluations for each of the submitting firms. After careful consideration, the Committee selected CH2M HILL, Inc., which was the top ranked firm to provide program management services for Local Agency Management (LAM) and 2005 Storm Water Revenue Bond projects. Post, Buckley, Schuh & Jernigan, Inc. (PBS&J), the second ranked firm, was selected to provide program management services assistance for the HUD 108 Loan funded projects, and the third ranked firm of Lockwood, Andrews, and Newnam, Inc. (LAN), was selected to provide program management services assistance for the Advance Transportation District (ATD) funded projects. The Statements of Interest Review Summary are included herein as Attachments 1 and 2. CH2M Hill, Inc. currently has an agreement with the Environmental Services Department to provide Indefinite Delivery Professional Environmental Services in an amount not to exceed \$250,000, but has no active projects.

Authorization to execute professional services agreements with PBS&J and LAN for program management services for HUD 108 Loan and ATD will be brought forward for City Council approval in the near future.

The Storm Water Engineering Section is also currently experiencing a high vacancy rate; CH2M HILL, Inc. was brought in to assist staff with preparing engineering designs and reviewing master development plans, plats, and requests for building permits. Without their services, the review process would have been negatively impacted resulting in delayed reviews of development projects and the inability to meet customer expectations. Staff augmentation began in August and is anticipated to continue until the existing six vacant positions are filled.

POLICY ANALYSIS

Approval of this ordinance will be a continuation of City Council policy to complete previously approved Capital Improvement Projects. The utilization of outside consultants is consistent with the City's policy of enlisting outside management services from time to time to assist in completing capital projects. The Aviation Department, for instance has been utilizing the program management services of Carter Burgess since March of 2003 to assist with capital projects at the San Antonio International Airport.

FISCAL IMPACT

The proposal submitted by CH2M HILL, Inc. represents an estimate of the work to be performed. All services rendered will be compensated based on an hourly fee as services are requested by the City.

Funds in the amount of \$6,211,000 are included within capital budgets that are included in the FY 2006-2011 Capital Improvements Plan. Funds in the amount of \$2,855,000 are available from 2005 Storm Water Revenue Bond funds; funds in the amount of \$2,878,000 are available from Certificates of Obligation and reimbursements from TxDOT, funds in the amount of \$200,000 are available from the General Fund and \$278,000 are available from the Storm Water Operating Fund. These funds are authorized payable up to the amounts listed below over a three year period as follows:

\$ 2,855,000 - Payable to CH2M HILL, Inc. for Program Management Administration in connection with the 2005 Storm Water Revenue Bond Program
(this figure represents a three-year appropriation)

\$ 2,878,000 - Payable to CH2M HILL, Inc. for Program Management Administration in connection with the Local Area Management (LAM) Program
(funded from Certificates of Obligation, and reimbursement from TxDOT; this figure represents a three year appropriation)

\$ 200,000 - Payable to CH2M HILL, Inc. for preliminary bond scoping services
(funded from the General Fund)

\$ 278,000 - Payable to CH2M HILL, Inc. Storm Water Staff Augmentation Services
(funded from vacancy savings in the Storm Water Operating Fund)

Table 2						
Program Administrative Cost Allocation						
	2005 Storm Water Revenue Bond			Local Agency Managed (LAM)		
	Program Cost	Capital Admin Charges	Capital Admin Charges	Program Cost	Capital Admin Charges	Capital Admin Charges
COSA		1.4%	\$ 714K*		1.1%	\$ 640K*
Consultant		5.6%	\$2.855M*		4.9%	\$ 2.878M*
TxDOT	N/A				1.0%	\$ 582K*
Total	\$ 51M	7.0%	\$ 3.569M	\$ 58.2M	7.0%	\$ 4.100M

* Cost represents a three-year appropriation

COORDINATION

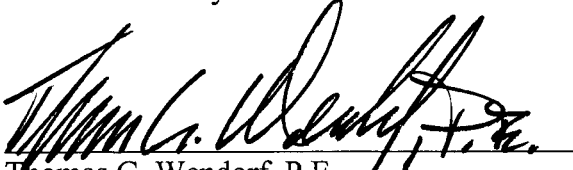
This request for ordinance has been coordinated with the City Attorney's Office, the Office of Management and Budget, the Human Resources Department, the Contract Services Department and the Finance Department.

SUPPLEMENTARY COMMENTS

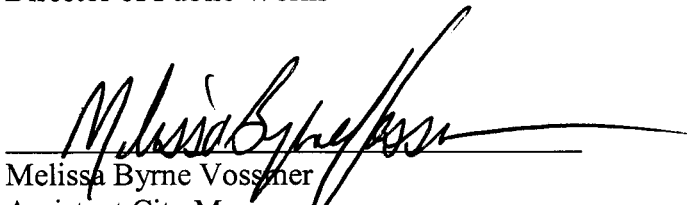
The Discretionary Contracts Disclosure Form required by the Ethics Ordinance is included herein as attachment 5.

ATTACHMENTS

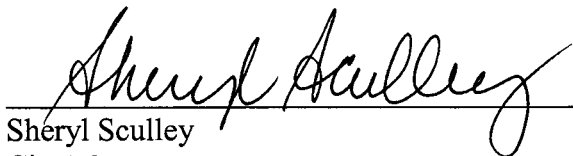
1. Statement of Interest Review Summary for 2005 Storm Water Revenue Bonds
2. Statement of Interest Review Summary for Local Agency Management
3. Professional Services Agreement for 2005 Storm Water Revenue Bonds
4. Professional Services Agreement for Local Agency Management
5. Discretionary Contracts Disclosure Form



Thomas G. Wendorf, P.E.
Director of Public Works



Melissa Byrne Vossner
Assistant City Manager



Sheryl Sculley
City Manager

CITY OF SAN ANTONIO - ARCHITECT/ENGINEER REVIEW COMMITTEE
EVALUATION OF QUALIFICATION STATEMENTS FOR
PROJECT MANAGEMENT

Architect/Engineer Candidates	EVALUATOR'S SCORE							SBEDA			TOTAL POINTS (Out of 100)	RANKING
	Rater 1	Rater 2	Rater 3	Rater 4	Rater 5	Rater 6	SUBTOTAL	10 Locally Headquartered Business Enterprise	5 Historically Underutilized Enterprise (HUE)	5 Small Business Economic Development Advocacy Policy Compliance (SBEDA)		
CH2M Hill	70.0	65.0	76.0	77.0	80.0	76.0	444.0	6.00	2.50	5.00	87.50	1
Post, Buckley, Schuh & Jernigan dba PBS & J	72.0	76.0	74.0	72.0	72.0	74.0	440.0	6.00	2.50	5.00	86.83	2
Lockwood, Andrew & Newnam, Inc.	71.0	72.0	72.0	74.0	76.0	75.0	440.0	6.00	1.65	3.00	83.98	3
Sunland Group	54.0	48.0	65.0	62.0	60.0	48.0	337.0	10.00	5.00	5.00	76.17	4
Claunch & Miller, Inc.	69.0	58.0	67.0	70.0	65.0	58.0	387.0	3.20	2.50	5.00	75.20	5
Carter Burgess	58.0	55.0	68.0	66.0	68.0	56.0	371.0	6.00	2.30	4.00	74.13	6
TCB/AECOM	61.0	68.0	55.0	62.0	60.0	46.0	352.0	6.00	2.50	5.00	72.17	7
Freese and Nichols, Inc.	66.0	48.0	60.0	69.0	62.0	55.0	360.0	6.00	2.00	4.00	72.00	8
Pape-Dawson Engineers, Inc.	62.0	46.0	50.0	62.0	49.0	55.0	324.0	10.00	1.95	3.00	68.95	9
Vickrey & Associates, Inc.	37.0	40.0	39.0	56.0	48.0	44.0	264.0	10.00	5.00	5.00	64.00	10
S & B Infrastructure, LTD	40.0	50.0	35.0	57.0	56.0	38.0	276.0	6.00	2.61	5.00	59.61	11
AG/CM, Inc.	30.0	29.0	42.0	50.0	40.0	42.0	233.0	5.00	2.50	5.00	51.33	12
All Points Inspection	14.0	16.0	29.0	40.0	16.0	20.0	135.0	0.00	5.00	5.00	32.50	13

NOTE: This form is a local government record and shall be retained in accordance with the provisions of the Local Government Code, Section 201. Evaluators must complete and sign this form, then submit to the Public Works Department/ Contract Services Office for retention.

CITY OF SAN ANTONIO - ARCHITECT/ENGINEER REVIEW COMMITTEE
STATEMENTS OF INTEREST REVIEW SUMMARY
PROJECT MANAGEMENT FOR LOCAL AGENCY MANAGED (LAM) PROJECTS

	EVALUATOR'S SCORE							RANKING
	Rate 1	Rate 2	Rate 3	Rate 4	Rate 5	Rate 6	SUBTOTAL	
Architect/Engineer Candidates								
CH2M Hill	63	76	77	80	70	65	431	1
Lockwood, Andrew & Newnam, Inc.	61	72	74	76	71	71	425	2
Post, Buckley, Schuh & Jernigan dba PBS & J	60	74	72	72	72	60	410	3
Claunch & Miller, Inc.	58	67	70	65	69	58	387	4
Carter Burgess	52	68	66	68	58	55	367	5
Freese and Nichols, Inc.	59	60	69	62	66	48	364	6
TCB/AECOM	46	55	62	60	61	62	346	7
Pape-Dawson Engineers, Inc.	55	50	62	49	62	59	337	8
Sunland Group	48	65	62	60	54	48	337	9
S & B Infrastructure, LTD	38	35	57	56	40	55	281	10
Vickrey & Associates, Inc.	44	39	56	48	37	40	264	11
AG/CM, Inc.	42	42	50	40	30	29	233	12
All Points Inspection	20	29	40	16	14	16	135	13

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DISCRETIONARY CONTRACT DISCLOSURE STATEMENT (ATTACHMENT 3)

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Not applicable

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Not applicable

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

Not applicable

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Not applicable

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Not applicable

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

By Whom Made	To Whom Made	Amount	Date of Contribution
Not applicable			

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

Not applicable

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:	Title: Vice President and Area Office Manager Company: CH2M HILL	Date: May 23, 2005
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.