

**COUNCIL ACTION FORM**

**SUBJECT: CONTRACT FOR LIBRARY CONSTRUCTION ADVISOR**

**BACKGROUND:**

In consideration of the most favorable method for the construction phase of the Library renovation and expansion project, a specially-appointed committee of Library Board members and Library staff met to consider two bidding options. The first was a single prime bid (general contractor), and the second was multi-prime bids managed by a construction management agent. The committee's recommendation was to bid the project to a single prime contractor.

Given the lack of technical expertise within the Library administration, the Board also approved contracting with a construction advisor to assist Library administration with the phases of the construction project. The duties of the construction advisor will be to assist the Library with oversight of the project, to identify and prepare an off-site location during construction, to assist with the relocation prior construction, to review design development documents, to review the bidding documents, to assist with the bidding process, to visit the site during construction, and to coordinate Furnishing/Fixtures/Equipment (FFE) items. At the end of the project, the construction advisor will also assist Library with the move into the renovated facility.

On February 22, 2012, a Request for Qualifications (RFQ) was issued to thirteen firms, which included area professional consultants such as those in the construction trades, architectural firms, and engineering firms. The document was also advertised on the Current Bid Opportunities section of the Purchasing webpage. On March 23, 2012, seven responses were received. These proposals were sent to an evaluation team consisting of a Library Board member, the retired director of Iowa State University's Department of Facilities Planning and Management, the project manager from the Library's architectural firm, the Library's building maintenance supervisor, the assistant Library Director, and the Library Director.

The team members independently evaluated and scored all seven proposals based on the criteria stated in the RFQ. Each score was based on a scale of 1 to 5. The overall weighted score is a combination of cost, responsiveness to proposal requirements, completeness of proposal, references and qualifications, background and experience. The knowledge and experience related scores represent 80% of the overall score and the proposed fees accounted for 20%.

The average score for each proposal, the firm's ranking, and the cost proposal are summarized in the following table:

Company	Average Points	Rank	Cost Proposal
Integrity Construction Services, LLC, Ames, IA	73.79	1	\$85,000
Construction Services, Inc., West Des Moines, IA	68.63	2	\$85,000
The Design Partnership Architects, West Des Moines, IA	63.75	3	\$50,750
Benjamin Design Collaborative, Ames, IA	63.10	4	\$135,000
Haila Architecture, Ames, IA	62.67	5	\$170,000
Diversified Construction Services, Ames, IA	59.68	6	\$87,000
Woodruff Companies, Ames, IA	56.46	7	\$126,240

The Evaluation team invited the top two firms for interviews. Both firms offered a guaranteed maximum cost of \$85,000 and had excellent credentials for the project.

The evaluation team selected Integrity Construction Services, LLC, citing the firm's knowledge of the local market, its experience as construction advisors for similar local projects, outstanding references, and a thorough understanding of the scope of work. Integrity Construction Services offered a guaranteed maximum amount of \$85,000.

Construction Services, Inc. (CSI), is experienced as a construction management firm and demonstrated that the limited role of construction advisor was not something they did very often. While CSI demonstrated they had access to many resources, the evaluation team did not believe there was a clear understanding of the importance of assistance for a temporary location, which is an important function for this project.

Design Partnership Architects, which submitted the lowest cost proposal, was not selected during the independent evaluation for the following reasons:

1. The time allotted for various functions within the scope of work was evaluated to be inadequate, given the challenges associated with re-locating the Library into a temporary location during the construction period.
2. The list of experience with similar projects was unclear and did not have the merit that the other proposals did.
3. References did not include projects of similar size and scope.
4. Knowledge of local market was not as strong as other proposals.

**LIBRARY BOARD RECOMMENDATION:**

At its meeting on April 19, 2012, the Library Board of Trustees adopted a resolution recommending that the City Council award a contract to Integrity Construction Services, LLC, of Ames, Iowa, to provide Construction Advisor services on the Ames Public Library Project at a cost not to exceed \$85,000, with the provision that the Board may approve a cost increase if the scope of services is changed based on unknown factors which may arise.

**PAYMENT FOR SERVICES:**

Payment for the Construction Advisor is to come from funds within the Library's bequest account. Payments for this three year project are estimated to follow this timeline:

FY 2011/12: \$12,000  
FY 2012/13: \$47,000  
FY 2013/14: \$26,000

**ALTERNATIVES:**

1. Approve the Construction Advisor Services Contract for the Library Renovation project with Integrity Construction Services, LLC, of Ames, Iowa as recommended by the Library Board of Trustees, at a cost not to exceed \$85,000.
2. Reject all proposals and re-bid for the construction advisor position.

**MANAGER'S RECOMMENDED ACTION:**

With a project of the size and complexity of the Library Renovation, it will be advantageous for the Board to employ a construction advisor to monitor the progress of the work and provide advice to the Board and staff should any problems or possible change orders arise. This has been done in a similar fashion on the Intermodal Facility construction, and has proven to be quite a valuable service.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the construction advisor contract for the Library Renovation project with Integrity Construction, of Ames, Iowa in an amount not to exceed \$85,000.

**CONTRACT FOR  
PROFESSIONAL SERVICES FOR CONSTRUCTION ADVISOR  
FOR AMES PUBLIC LIBRARY; CITY OF AMES**

**THIS AGREEMENT**, made and entered into effective the 24 day of April , 2012, by and between the CITY OF AMES, IOWA, a municipal corporation organized and existing pursuant to the laws of the State of Iowa (hereinafter sometimes called "City") and Integrity Construction Services, L.L.C. (a domestic limited liability corporation, organized and existing pursuant to the laws of the State of Iowa and hereinafter called "Provider");

**WITNESSETH THAT:**

**WHEREAS**, the City of Ames has determined that certain services to be provided to the City of Ames and its citizens by Provider, such services and facilities being hereinafter described and set out, should be purchased in accordance with the terms of a written agreement as hereinafter set out;

**NOW, THEREFORE**, the parties hereto have agreed and do agree as follows:

**I  
PURPOSE**

The purpose of this Agreement is to procure for the City of Ames certain services as hereinafter described and set out; to establish the methods, procedures, terms and conditions governing payment by the City of Ames for such services; and, to establish other duties, responsibilities, terms and conditions mutually undertaken and agreed to by the parties hereto in consideration of the services to be performed and monies paid.

**II  
SCOPE OF SERVICES**

Provider shall provide the services set out in the City of Ames, Iowa, Scope of Work, and Professional Services for construction advisor services for Ames Public Library, a department of the City of Ames attached hereto as Exhibit A.

The City, without invalidating the Agreement, may direct changes in the project within the general scope of the Agreement, with the authorized payment maximum being adjusted accordingly. Any change in the scope of service by the provider shall be done by written agreement signed by both parties. The added cost or cost reduction to the City resulting from a change in the Agreement shall be determined by mutual acceptance of a lump sum properly itemized and supported by sufficient data to permit evaluation, or by unit prices stated in the Agreement or subsequently agreed upon.

It shall be the responsibility of the provider, before proceeding with any change in scope, to verify that the change has been properly authorized on behalf of the City. No additional charges or any other change in the Agreement will be allowed unless previously authorized in writing by the City, with the applicable compensation method and maximum authorized additional sum stated.

**III  
METHOD OF PAYMENT**

Payments shall be made by the City of Ames monthly during the life of the project by properly submitted invoices by the contractor.

The maximum total amount payable by the City of Ames under this Agreement is \$85,000 and no greater amount shall be paid without written amendment.

Payment will be made upon completion of the work and acceptance by the Ames Public Library and the City of Ames. Provider shall submit an invoice upon completion of the work. The invoice shall include an itemization of the work for which payment is claimed. Invoices referencing the assigned purchase order number shall be sent to the following address: Ames Public Library; 515 Douglas Avenue, Ames, Iowa 50010-6215

**IV**  
**FINANCIAL ACCOUNTING AND ADMINISTRATION**

A. All claims for payment shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified as such and readily accessible for examination and audit by the City or its authorized representative.

B. All records shall be maintained in accordance with procedures and requirements established by the City Finance Director, and the City Finance Director may, prior to any payment under this Agreement, conduct a pre-audit of record keeping and financial accounting procedures of the Provider for the purpose of determining changes and modifications necessary with respect to accounting for charges made hereunder. All records and documents required by this Agreement shall be maintained for a period of three (3) years following final payment by the City.

C. At such time and in such form as the City may require, there shall be furnished to the City such statements, records, reports, data, and information as the City may require with respect to the payments made or claimed under this Agreement.

D. At any time during normal business hours, and as often as the City may deem necessary, there shall be made available to the City for examination all records with respect to all matters covered by this Agreement and Provider will permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

**V**  
**INSURANCE**

A. The provider shall maintain insurance coverage in scope and amounts acceptable to the City's Risk Manager.

B. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City of Ames, its officials, employees, or volunteers.

C. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

D. Provider shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on standard insurance company forms or forms provided by the City and are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

E. Provider shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

F. To the fullest extent permitted by law the Provider shall indemnify and hold harmless the City of Ames, their agents, and employees from and against all claims, damages, losses, and expenses, including, but not limited to attorneys' fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss, or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom; and (2) is caused in whole or in part by any negligent act or omission of the Provider, any Subcontractor, anyone directly or indirectly employed by any of them or any one for whose acts, any of them may be liable.

G. In no case will the Provider's coverage be constructed to provide coverage for acts of negligence alleged to be caused by the sole negligence of employees of the City of Ames.

**VI  
PROPRIETARY RIGHTS AND CONFIDENTIAL INFORMATION**

Provider agrees to hold in trust and confidence any confidential and/or proprietary information or data relating to City business and shall not disseminate or disclose such confidential information to any individual or entity, except Provider's employees or subcontractors performing services hereunder (who shall be under a duty of confidentiality), and any other individuals specifically permitted in each instance by the City.

**VII  
TERMINATION**

The City of Ames may terminate this Agreement without penalty to the City at any time by giving written notice to the Provider at least fifteen (15) days before the effective date of such termination. In any case where the Provider fails in whole or in part to substantially perform its obligations or has delivered nonconforming services, the City shall provide a Cure notice. If after notice the Provider continues to be in default, the City may terminate this agreement immediately. The City shall only be obligated to compensate the Provider for compliant services performed prior to notice of termination.

**VIII  
INDEPENDENT CONTRACTOR STATUS**

Provider agrees that the relationship between Provider and the City is that of an independent contractor for employment tax purposes. The Provider shall be solely responsible for all taxes relating to payments under this agreement including those of employees.

**IX  
LAWS**

This contract is governed by the law of the State of Iowa with venue in Story County District Court.

**X  
ASSIGNMENT**

This Agreement may not be assigned or transferred by the Provider without the prior written consent of the City.

**XI  
AFFIRMATIVE ACTION**

Provider shall place on file with the City a statement of nondiscrimination policy in the form of a completed *Assurance of Compliance with the City of Ames, Iowa, Affirmative Action Program* satisfactory to the Affirmative Action Officer of the City.

**XII  
CONFIDENTIALITY**

The contractor agrees to abide by all Iowa laws regarding the confidentiality of library records. The Contractor will not investigate or gain access to patron borrower records within the library's database. In the event such access is necessary to perform the duties specified within this contract, the contractor and all sub-contractors shall hold such information in confidence and will not share such information with any third party.

**XIII  
SMOKING ON LIBRARY/CITY PROPERTY**

The contractor and all subcontractors agree to abide by Iowa State Code regarding a prohibition on smoking on any property of the Library of the City of Ames.

**XIV  
SEX OFFENDERS AGAINST MINORS**

The contractor and all subcontractors will abide by the exclusion of any registered sex offender against a minor in its employ and all subcontractors and their employees on the real property of the Library in accordance with Iowa State law.

**XV  
DURATION**

This Agreement shall be in full force and effect from and after April 24, 2012 until completion of the Work, or, until terminated by the City of Ames, Iowa.

**IN WITNESS WHEREOF** the parties hereto have, by their authorized representatives, set their hand and seal as of the date first above written.

**CITY OF AMES, IOWA**

**INTEGRITY CONSTRUCTION SERVICES, LLC**

By: \_\_\_\_\_  
Ann H. Campbell, Mayor

By \_\_\_\_\_  
Brad Heemstra, Member

Attest by: \_\_\_\_\_  
Diane R. Voss, City Clerk

Approved as to Form

\_\_\_\_\_  
Douglas R. Marek  
City Attorney

## CONTRACT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION ADVISOR

### Exhibit A: SCOPE OF SERVICE

1. Review and become familiar with the Architect's Final Schematic Design Report. At the conclusion of this review, meet with the Architect and the Library to review any findings.
2. Review the Library total Project Budget and advise the Library on any necessary changes, additions or recommended deletions. Track the overall project budget on a monthly basis. Tracking will be done on a percentage and dollar amount based on specific line items. The Advisor shall maintain records that support the budget updates.
3. Periodically, together with the Architect, report project status and development to the Administration.
4. Temporary Location Services
  - a. Assist the Library with the identification of appropriate space (s) for their temporary location during construction.
  - b. Once a space is identified, assist the Library with negotiation with the Landlord to the completion of a lease.
  - c. Work with the Architect to prepare the space to receive the Library.
  - d. Work with the Library to prepare and solicit bids for moving to the temporary location. This includes issuance of the Architect's drawings for any required retrofitting.
  - e. Assist the Library with vacating the premises, in accordance with the Lease Agreement, at the conclusion of the lease.
  - f. Monthly, ensure timely submission of lease payments. Assist the Library with securing any legal or insurance advise that is needed.
5. Design Development Phase
  - a. Attend regular Design Team and Owner project development meetings (assumed to be twice a month).
  - b. Assist the Owner with the review of the developing work product from the Architect and his Consultants and their compliance with the Owner-Architect Agreement.
  - c. Periodically, together with the Architect, report project status and development to the Administration. Provide a Monthly Summary Report in writing and in person at monthly board meetings.
  - d. Coordinate the collection, recording and delivery of information to the Architect as required of the Owner by the Owner-Architect Agreement.
  - e. Assist the Owner with final review of the documents including a transmittal communicating all edits, changes and deletions required for compliance with the Owner's requirements. A review comments are to be marked-up electronically.
6. Construction Documents Phase
  - a. Attend regular Design Team and Owner project development meetings (assumed to be twice a month for projects under development).
  - b. Assist the Owner with the review of the developing work product from the Architect and his Consultants and their compliance with the Owner-Architect Agreement.
  - c. Update the Project Budget based on 50% and 90% Construction Costs Estimate as provided to the Owner by the Architect.
  - d. Periodically, together with the Architect, report project status and development to the Administration. Provide a Monthly Summary Report in writing and in person at monthly board meetings.



- e. Assist the Owner with final review of the documents including a transmittal communicating all edits, changes and deletions required for compliance with the Owner's requirements.
7. Bidding / Negotiation Phase
- a. Assist the Library with all publication of bids.
  - b. Promote the Library project within the appropriate Contractors, Subcontractors, Suppliers and Plan Centers.
  - c. Attend the Pre-Bid Conference.
8. Construction Phase
- a. Attend the Pre-construction meeting.
  - b. Attend bi-weekly Contractor Coordination Meetings and prepare written project progress reports to the Director of the Library based on these meetings. Additional meetings may be requested and will be considered an additional service if authorized in advance. For the purpose of this RFP, assume that there will be 36 on-site meetings. It is not intended that the Advisor maintain full time Supervisory Staff, but rather provide experienced Professional Construction Personnel to periodically visit the active construction project to observe and report on progress and on going activities and represent the Owner in decisions to be made as progress on each project is made.
  - c. Prepare and present Owner initiated Change Order Requests to the Architect and Contractor
  - d. Review Change Order proposals with the Owner, and together with the Architect, make recommendations on action.
  - e. The Architect will certify the Certificate for Payment in accordance with Iowa law.
  - f. Represent the Owner in minor decisions to extent authorized and advise and consult with the Owner on larger decisions.
  - g. Represent the Owner in matters related to claims and change order requests by the Contractor.
  - h. Attend the Substantial Completion Inspection and represent the Owner in determining the contractual completion of the Project.
  - i. Coordinate the Owner's first use and occupancy. In the RFP response, clearly detail a work-plan for this work and the associated fee.