ITEM # <u>10</u> DATE: 04-12-11

COUNCIL ACTION FORM

<u>SUBJECT</u>: ARCHITECTURAL AND ENGINEERING SERVICES FOR CITY HALL SPACE REUSE PROJECT – PHASE 2

BACKGROUND:

Several years ago the Police Department closed its jail facility and the space formerly allocated to prisoner cells went unoccupied. At the same time, staff recognized that the changing make-up of City functions and staffing was putting pressure on available space within City Hall. After a competitive bid process, in 2008 the City Council authorized hiring the architectural/engineering firm Shive-Hattery to explore alternatives for improving the efficiency and effectiveness of spaces in City Hall. In that Phase 1 project, Shive-Hattery worked with City staff to identify issues, analyze alternative solutions, and develop a conceptual plan – including cost estimates – for the effective reallocation, renovation and reuse of space within portions of City Hall. In January of 2009, the City received a report from Shive-Hattery detailing the results of that Phase 1 study.

Based on the information provided by the study, the City solicited and received a \$600,000 grant from the U.S. Department of Homeland Security to assist in renovation of a part of the available space into a new Emergency Operations Center (EOC). In 2009, with the addition of General Fund monies, the Council approved a \$1,186,228 Capital Improvements Plan project for the renovation of the target spaces in the Police Department and basement of City Hall.

Phase 2 of the project will now provide architectural and engineering services through completion of the renovation project. It will include schematic design, design development, creation of construction documents, assistance to City staff in the bidding process, and construction administration. The original 2008 Request for Proposals and competitive bidding process provided for both phases of this project but only guaranteed the successful bidder Phase 1. The City had the option to continue or not continue with the same firm for Phase 2.

Shive-Hattery's work on Phase 1 was well received and provided the essential information needed to develop both the grant application and the renovation project. The City has had success working with Shive-Hattery on past projects, including the design and construction of Fire Station #3. In addition, in the intervening months, and through a separate competitively bid process, Shive-Hattery won the contract to assist the City in replacing and upgrading the heat pumps throughout City Hall.

Staff believes that continuing to work with Shive-Hattery during Phase 2 will allow continuity of design and coordination of efforts that will result in a better end product. For all of these reasons, staff requests authorization to proceed with Phase 2 of this project with Shive-

Hattery. Shive-Hattery has provided a proposal for Phase 2 services for a fee not to exceed \$112,000.

<u>ALTERNATIVES</u>:

- 1. Approve Phase 2 and the contract with Shive-Hattery for professional architectural and engineering services.
- 2. Do not approve Phase 2 and the contract with Shive-Hattery for professional architectural and engineering services.

MANAGER'S RECOMMENDED ACTION:

The design and construction of renovated and reallocated space with City Hall will present a number of complex issues. During Phase 1 of this project, Shive-Hattery demonstrated an ability to work with City staff, to achieve City goals and to provide an appropriate and useful end product. Continuity during Phase 2 will provide efficiencies in the remaining portions of this project. Further, Shive-Hattery is uniquely positioned to coordinate this project as we complete the Heat Pump Replacement Project which they also designed. In addition, the competitive bidders for the original Phase 1 contract were aware of the probability that award of the original contract could lead to work on Phase 2.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving Phase 2 and the contract with Shive-Hattery for professional architectural and engineering services. This agreement is for a fee not to exceed \$112,000.