



*City  
Council  
Report*

**Item:** 8  
**Category:** OLD BUSINESS  
**Meeting Date:** February 4, 2020

**TITLE:** Resolution Authorizing Issuance of Request for Proposals for the New Police Operations Building and the Campbell Library Improvements Design Services and Authorizing the City Manager to Award Consultant Services Agreements (Resolution/Roll Call Vote)

**RECOMMENDED ACTION**

That the City Council adopt a resolution that authorizes 1) staff to issue separate Request for Proposals (RFP's) for the New Police Operations Building and the Campbell Library Improvements design services for the Measure O Program, and 2) the City Manager to negotiate and award consultant services agreements; and provide staff guidance on the City Council's involvement in the consultant selections process.

**BACKGROUND**

The Campbell Police Department is currently housed on the lower level of City Hall located at 70 North First Street within the Civic Center Complex. Built in the early 1970's, City Hall was not constructed to Essential Services Buildings standards for immediate occupancy after a natural disaster, which has been a California Health and Safety Code and Building Code requirement since 1986 for public safety and emergency operations facilities.

The Campbell Library is a City facility that is operated by the Santa Clara County Library District (SCCLD). It is located at 77 Harrison Avenue, also within the Civic Center Complex. The Library is open seven days a week and accommodates over 1,000 visitors daily. The City's Emergency Operations Center (EOC) is currently located on the lower level of the Library. Also constructed in the early 1970's, the Library is subject to building system failures and is due for a major renovation to address outdated building components, deficiencies, energy-efficiency, and spatial needs for SCCLD to effectively operate current and future library programs.

In the November 2018 general elections, Campbell voters passed Measure O to issue a \$50,000,000 general obligation (GO) bond to fund the design and construction of a new police operations building with an EOC; to improve the Campbell Library; and to renovate the existing CPD facility for other City purposes.

At the November 19, 2019 Council Meeting, the City Council received an update on Measure O projects and was presented a draft of the Request for Proposal (RFP) for

the Police and Library buildings design services. The City Council took action by authorizing the creation of an ad hoc subcommittee, consisting of Vice Mayor (now Mayor) Landry and Councilmember (now Vice Mayor) Gibbons, to assist staff with refining the RFP for Council's consideration. The City Council also voted to keep the future library programming at the existing Campbell Library location.

## DISCUSSION

### Separate RFP's for the Police and Library Projects

Since the November 19 Council Meeting, the RFP Subcommittee and staff have met numerous times to modify and refine the RFP to be more specific and applicable to the Measure O program needs. Staff has also heard from local architects who have stated that grouping the Police and Library projects as one may impose a challenging burden to qualified lead architects to form a larger design team to work on both projects. Therefore, the original draft of the RFP has now been bifurcated into two separate RFP's (**Attachment B** for the Police and **Attachment C** for the Library) to solicit proposals from design consultants with matching qualifications and expertise; and to move forward expeditiously with each project unrestricted by the other project timeline.

Below are key benefits and challenges with the bifurcated projects approach:

#### Benefits:

- Each design team can focus on meeting specific program needs and goals for the Police or the Library within established budgets.
- Architects with specific expertise submitting proposals for either the Police or the Library project. More architects anticipated to submit proposals.
- Challenges and delays on one project may not affect the other project.
- Projects can proceed at their own "pace".

#### Challenges:

- Design products specific to each project.
- Potential lack of master planning and coordination of work within the Civic Center Complex.
- Need to establish project budgets early in the design phase.

To address the challenges of the bifurcated approach, RFP's now require each consultant to coordinate work with other City consultants to achieve complementing and compatible design solutions for the Measure O program. Furthermore, the RFP for the Police building includes a scope to conduct *Site Planning and Analysis* of the Civic Center Complex to assess and mitigate impacts of the Measure O projects while identifying the location of the future police operations building.

### Design Criteria

As advised by the RFP Subcommittee, general design criteria for each building are included in RFP's to clarify project goals, intents, and requirements. For the Police building, design criteria include Essential Services Buildings standards, latest technologies for crime fighting, cost-effective design solutions, minimum impacts to police operations and Civic Center Complex during construction, compliance with neighboring zoning requirements to the extent possible, and a sustainable and resilient building. Furthermore, the potential location of the new Police building was narrowed down to the northwest quadrant vicinity of the Civic Center Complex where the current city employee, public, and secured police parking lots are located. The Library building design criteria include energy-efficiency, considering all-electric powered building and photovoltaic system, improve natural lighting in the Library space, a single main entry for the public, a large multi-purpose community room, shipping and delivery area, and more.

### Project Delivery Methods:

Design-Bid-Build (DBB) project delivery method is the traditional way that capital improvement projects are delivered in the City. With DBB, the City contracts with a designer to complete 100% design documents before soliciting bids from contractors to award a construction contract based on low-bid. The final design is completed before committing to a construction contract. The owner has consistent oversight and control over the design process while the contractor is mainly responsible for construction.

The alternate project delivery method for consideration is Design-Build (DB). Under DB, the owner hires a consultant to prepare "bridging documents" or "performance specifications" which may include concept design plans and parameters defining/reflecting requirements for programming, space needs, building materials, size, quantity, quality, costs, schedule, and other provisions required to solicit bids from pre-qualified DB entities (DBE's). The owner then contracts with a DBE bearing a single point of responsibilities to finalize the design and construction. Per the Public Contract Code, DB contracts can be awarded based on low-bid or best value. For the DB process to be fully effective, the owner must relinquish as much of the design oversight and control to the DBE for them to propose solutions that meet performance requirements as set by the owner. One of the key benefits of using the DB process is that, it attracts contractors of different caliber that may not normally bid on low-bid public projects.

The Campbell Library Improvements project requires deliberate involvement from the City and SCCLD through the design process to come up with workable solutions within the existing site that meet long term library program needs. DB would not be the ideal method for the library renovation project since the DB process heavily relies on the DBE to come up with preliminary and final design solutions. Furthermore, it would be difficult for DBE's on a building renovation project to make assumptions during the initial proposal and contracting stage without a detailed building analysis due to the confined

and unknown conditions of an existing building. Therefore, the Library design RFP specifies DBB as the project delivery method and seeks proposals on services from program and space needs confirmation, completion of design drawings, design support services during construction, and project closeout.

For the New Police Operations Building, the DB project delivery method may still be an attractive option. Since the November 19, Council Meeting, staff has received information from local builders and architects that the new Police building would be an ideal DB project candidate even as a standalone project, and that more DBE's are considering public projects within \$10 million to \$25 million price range.

Therefore, the initial design scope for the Police building RFP is to complete the program and space needs confirmation, site planning and analysis, identify a site for the new Police building, and Design Development (30% design) plans. During the initial design scope, staff can continue to research the best suitable project delivery method for the project and consider the consultant's recommendation. Once the Design Development plans are approved by the City Council and once a delivery method is determined by the City, the design services contract can be amended accordingly for the next design phases. If the DB method is selected, the initial design services contract would be amended for the preparation of bridging documents necessary to solicit proposals from DBE's and providing other DB support services.

#### Consultant Selections:

The RFP Subcommittee recommended that the City Council be involved with the final consultant selections. Once Council approves the issuance of RFP's at the February 4 meeting, staff will issue them the same week and proposals would be due by early March 2020. Staff from the City and SCCLD would evaluate and rank proposals based on pre-determined evaluation criteria, then recommend the top two or three ranked consultants for each project to be interviewed by a selection committee composed of staff and/or Council. Since consultant selections are based on qualifications, all fee proposals are kept sealed until the final scope and fee negotiations can begin with the finalists selected. If requested, special council meetings or study sessions would be scheduled in April and May 2020 for the City Council to interview consultants and select the finalists.

After the final consultant selections for the Police and Library building projects, the City Manager or his designee would open fee proposals from the finalists to start negotiations for each project. If negotiations fail for any reason, the sealed fee proposal from the next finalist in line would be opened to start a new round of negotiations.

In consideration for the project schedules, staff is requesting that the City Council approve a resolution (**Attachment A**) to issue both RFP's and authorize the City Manager to award the consultant services agreements. If the City Council directs staff to return to Council for contract award approvals, that may delay the start of the design work until June 2020.

**Project Timeline:**

In advance of hiring design consultants, staff will conduct topographic survey of the Civic Center Complex and hazardous materials testing of the Library to expediate the design process as recommended by the RFP Subcommittee.

If design consultants are onboarded by May 2020, and if DB method is chosen for the Police building project, below is a general summary of anticipated timelines for projects:

| <b>Milestones</b>                                  | <b>Anticipated Completion</b> |
|--|-------------------------------|
| Topographic Survey of Civic Center Complex         | March 2020                    |
| Hazardous Materials Testing of Library             | March 2020                    |
| Hire Design Consultants                            | May 2020                      |
| Confirm Program and Space Needs                    | Fall 2020                     |
| <i>Library: Design-Bid-Build</i>                   |                               |
| Concept Designs                                    | Early Winter 2021             |
| Schematic Design                                   | Spring 2021                   |
| Design Development                                 | Summer 2021                   |
| Construction Documents and Permits                 | Early Winter 2022             |
| Bid and Award                                      | Spring 2022                   |
| Start Construction                                 | Summer 2022                   |
| Construction Completion                            | Late Winter 2023*             |
| <i>Police: Design-Build</i>                        |                               |
| Site Planning/Analysis and Site Selections         | Late Winter 2020              |
| Establish Site and Concept Designs                 | Early Winter 2021             |
| Schematic Design                                   | Spring 2021                   |
| Design Development                                 | Summer 2021                   |
| Bridging Documents                                 | Fall 2021                     |
| Pre-qualify and hire DB Entity                     | Early Winter 2021             |
| Environmental Clearance and Construction Documents | Summer 2022                   |
| Start Construction                                 | Fall 2022                     |
| Construction Completion                            | Early Winter 2024*            |

**\*Note:** Assuming that simultaneous or overlap of Police and Library building construction activities are possible.

If DBB method is selected for the Police building project, it would follow a similar timeline as the Library DBB process with some additional time required for environmental clearance per the California Environmental Quality Act (CEQA).

**Measure O General Obligation Bond Policies:**

Staff will coordinate closely with the financial consultant and the bond counsel regarding the applicable debt management policies, compliance with state and federal laws,

reporting requirements, timing of debt issuance (bond sales), and Citizens' Oversight Committee to monitor expenditures of bond proceeds on an annual basis. The Citizens' Oversight Committee shall consist of at least five (5) members appointed by the City Council. Staff shall return to the City Council on February 18, 2020 with recommended committee bylaws and the selection process to appoint committee members. Based on the anticipated timelines for projects shown above and related expenditures, staff intends to issue \$7.5 million of Measure O GO Bonds in August 2020 and the remaining \$42.5 million in late Spring/early Summer 2022, prior to the start of construction. Both issuances are subject to City Council approval and staff will request this approval approximately one month prior to each issuance. Should project timelines or costs change, staff will adjust the timing and sizing of the bond issuances accordingly and keep City Council apprised of such actions.

## FISCAL IMPACT

With the Police and Library projects bifurcated, staff recommends that the following Budget Cost Strategy to be considered for the Measure O projects, which would be further refined and established for Council's approval during the schematic design of the Police and Library projects:

|  |                     |
|--|---------------------|
| Shared Project Costs Budget                      | \$10,000,000        |
| Library Budget (Design & Construction)           | \$20,000,000        |
| <u>Police Budget (Design &amp; Construction)</u> | <u>\$20,000,000</u> |
| Total Measure O Budget                           | \$50,000,000        |

The Library and Police Budgets would cover costs for design, temporary relocations, pre-construction items (such as permits and CEQA studies), construction, and contingencies. Items that would be under the Shared Project Costs Budget are project and construction management, shared site studies and improvements, existing police facility improvements allocation, bond issuance fees, site improvements associated with the Police building, and general contingency for Measure O projects. As design progresses for Police and Library buildings, the Shared Project Costs Budget can be further allocated to specific projects as approved by the City Council.

At this point, the Budget Cost Strategy is to be used as a guide to implement the initial design process. The consultants shall be advised to follow the budget strategy until it can be further refined as the design work progresses. A more defined Budget Cost Plan shall be presented to the City Council for approval as the building concept designs are being finalized.

The City's bond counsel specified that the Measure O proceeds can only be applied to capital asset improvements and should not be used to pay for furnishing, fixtures, and equipment (FF&E). For the Library, SCCLD has committed to funding FF&E costs. Staff plans to seek grants from the Department of Homeland Security to supplement police equipment costs. Staff may also investigate options to cover the Police FF&E costs by creating a new CIP or by creating a reserve fund specifically for FF&E. For at least the

next two fiscal years, the City Council may consider allowing accrual of all or a portion of the City's remaining capital and maintenance funds (carryover) for FF&E for the new Police building. Staff will continue to work with CPD and SCCLD to seek additional funding sources and grant opportunities to supplement Measure O funds.

Issuance of debt for the Measure O GO Bond will occur in two series to fund design and construction phases. At the time of debt issuance, the City must have reasonable expectations to spend at least 85% of bond proceeds timely within three years. Staff is targeting August 2020 for the first round of GO bond sales (\$7.5 million) to fund the design phase and late Spring/early Summer 2022 for the second round of GO bond sales (\$42.5 million) to fund construction. If Measure O funds are needed before the first bond sales, staff proposes to use funds from various sources such as the Civic Center Master Plan Reserve, City Council Priority Reserve, General Fund, and/or Economic Fluctuation Fund. Once bond proceeds are available, the City would seek to reimburse any allowable expenses for Measure O projects from those bond proceeds.

Prepared by:



WooJae Kim, Senior Project Manager

Reviewed by:



Todd Capurso, Public Works Director

Reviewed by:



William Seligmann, City Attorney

Approved by:



Brian Loventhal, City Manager

**Attachment:**

- a. Resolution RFPs Authorization
- b. New Police Operations Building Design RFP
- c. Campbell Library Design RFP

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL  
AUTHORIZING THE ISSUANCE OF REQUEST FOR PROPOSALS TO SOLICIT DESIGN  
SERVICES FOR THE NEW POLICE OPERATIONS BUILDING AND THE CAMPBELL  
LIBRARY IMPROVEMENTS AND AUTHORIZING THE CITY MANAGER TO AWARD  
CONSULTANT SERVICES AGREEMENTS**

**WHEREAS**, Measure O authorized the issuance of a \$50,000,000 general obligation bond, which was passed by Campbell voters during the November 2018 general elections to finance the Civic Center Improvements for the new police operations building and Campbell Library improvements; and

**WHEREAS**, services of a qualified design consultant are necessary to confirm program and space needs for the new police operations building, conduct site planning and analysis, identify the location of the new building, and develop design development documents for approval by the City Council; and

**WHEREAS**, services of a qualified design consultant are necessary to confirm program and space needs of Campbell Library, develop conceptual plans for approval by the City Council; complete construction documents, and provide design support services during construction and project closeout; and

**WHEREAS**, staff is seeking Council’s authorization to solicit consultant services for the design services associated with the New Police Operations Building and the Campbell Library Improvements; and

**WHEREAS**, staff proposes to use funds from various sources such as the Civic Center Master Plan Reserve, City Council Priority Reserve, General Fund, and/or Economic Fluctuation Fund for the consultant services, if necessary, until bond proceeds are available.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Campbell hereby approves the issuance of requests for proposals for design services for the New Police Operations Building and the Campbell Library Improvements in substantially the forms attached to the Staff Report for this Resolution; and

**BE IT FURTHER RESOLVED** that the City Council of the City of Campbell authorize the City Manager to negotiate and award consultant services agreements for the New Police Operations Building and the Campbell Library Improvements design services responsive to the requests for proposals in the best interest of the City.

**PASSED AND ADOPTED** this 4<sup>th</sup> day of February, 2020 by the following roll call vote:

- AYES: Council Members:
- NOES: Council Members:
- ABSENT: Council Members:

Attachment: Resolution RFPs Authorization (Measure O - Request for Proposals Authorization)

APPROVED:

\_\_\_\_\_  
Susan M. Landry, Mayor

ATTEST:

\_\_\_\_\_  
Wendy Wood, City Clerk