

INTRODUCTION OF ORDINANCE ADDING CHAPTER 3-60 TO THE SANTA ROSA CITY CODE – DESIGN- BUILD PROCUREMENT

January 7, 2014

Background

- In 2012, the voters approved Measure S which authorized the use of Design-Build Procurement subject to the terms of an ordinance to be adopted by the City Council.

Background (cont'd)

- The City Attorney's office reviewed design-build ordinances from other jurisdictions and met with key stakeholders including representatives of the Chamber of Commerce and the North Coast Builders Exchange to obtain input on the draft ordinance.
- Input from these stakeholders was discussed and incorporated to the extent feasible including a suggestion that there be prior review by the awarding authority of the appropriateness of utilizing design-build procurement on major contracts. Major Contracts are currently defined as contracts in excess of \$270,000.

Background (cont'd)

- The City Attorney presented the proposed ordinance to the Board of Public Utilities on November 7, 2013. The Board supported approval of the ordinance with the protections built into the ordinance to provide the Council and Board to have prior review of proposals to utilize a design review procurement for major contracts.

Proposed Ordinance

- In a Design-Build Contract, the same entity acts as the Designer and Contractor on a public works project.
- It is not anticipated that this process would be used for the majority of our standard CIP projects.
- Most likely uses on smaller scale are solar projects; playground projects; roofing system.
- Circumstance in which City is looking to private-public partnership, i.e. White House Site.

Proposed Ordinance (cont'd)

- The proposed ordinance was modeled largely on the Design-Build Ordinance adopted in the City of Riverside which has been in place since 2005 and has been successful in that community.

Proposed Ordinance (cont'd)

- The City of Riverside won a regional design-build award from the Design-Build Institute of America for use of Design-Build method for its water treatment plant and has had a number of other successful projects utilizing design-build agreement.

Proposed Ordinance (cont'd)

- The proposed ordinance does not change the current award authority under the City Code in terms of the dollar amount of contracts.

Proposed Ordinance (cont'd)

- Staff may elect for minor contracts (contracts under \$270,000) to utilize a design-build procurement request for proposals consistent with the requirements set forth in the ordinance. This is projected to provide efficiencies and cost savings in areas such as installation of playground equipment, roofs and energy saving.
(3-60.020)

Proposed Ordinance (cont'd)

- For major contracts (contracts over \$270,000), staff would first be required to seek authorization from the award authority—either the City Council or Board of Public Utilities—that utilizing a design-build procurement is in best interest of the City under the criteria established in the ordinance. Review of RFPs for design-build projects for major contracts would also require an evaluation panel to be part of the process. (3-60.130)

Proposed Ordinance (cont'd)

- The ordinance provides criteria for inclusion in RFP. (3-60.020)
- Provisions for prequalification procedures and criteria. (3-60.050 and 3.60.060)
- Provides criteria for selection. (3-60.120)

Proposed Ordinance (cont'd)

- Allows for interview of top-rated Design-Build entities. (3-60.120 (c))
- Allows for further negotiation with top-ranked Design-Build entity. (3-60.120 (d))

Recommendation

- It is recommended by the City Attorney that, consistent with the direction of the voters approving the use of Design-Build Procurement, the City Council introduce an ordinance adding Chapter 3-60 – Design-Build Procurement to the City Code.