



## Legislation Text

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**File #:** 17-0002, **Version:** 1

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### Resolution to Authorize Renewal of Professional Services Agreement with Stantec Consulting Michigan, Inc. for General Construction Inspection Services (\$500,000.00)

We recommend your approval of the attached resolution authorizing renewal of a Professional Services Agreement with Stantec Consulting Michigan, Inc. (Stantec) for 2017 in the amount of \$500,000.00 for general construction inspection services.

The Project Management Services Unit (PMSU) provides inspection for construction of capital projects and private development projects within the City's right-of-way. The construction inspector's tasks include oversight of contractor activities, enforcement of construction standards (e.g., materials and methods), and measurement of pay item quantities. These tasks are critical to the success of any construction project.

Due to the fluctuation of construction activity throughout the year (light in the winter and heavy in the summer), the level of staffing within PMSU must often be supplemented in the warmer months to provide sufficient inspection for all of the planned projects. Based on the number of planned capital projects and anticipated volume of private development, PMSU is expecting a need for additional inspectors to help cover all of the construction activities.

In December 2015, a Request for Proposal (RFP-957) was issued for Construction Inspection Services for 2016, and proposals from six consulting firms were received on January 22, 2016. A team of staff members reviewed all of the proposals and narrowed the selection to five consulting firms whose fee quotations were opened and evaluated. Based on their professional qualifications, past experience with the City, available resources, and fee quotations, Stantec was selected as one of the firms to be awarded a professional services agreement for the work. That professional services agreement was approved by Council on April 4, 2016 for an amount of \$200,000.00. On November 10, 2016, Council approved an amendment of \$75,000.00 to cover the cost for completion of the services assigned to Stantec in 2016.

RFP-957 was issued with the option for the professional services agreements that were awarded to be renewed for two additional years, and City Council authorized the City Administrator to approve those renewals for each of the agreements. Based on the performance of Stantec over the first year of the agreement, staff recommends a renewal of their agreement for the 2017 calendar year. However, because some of the other consultants selected in 2016 were unable to provide cost competitive services, or unable to commit to provide reliable inspection services for 2017; staff recommends increasing the amount of Stantec's contract for 2017 from \$200,000.00 to \$500,000.00 to account for these unavailable resources, and recommends Council approve the renewal with that increase in amount. No other changes are made to the terms of the contract.

Stantec complies with the City's Non-Discrimination and Living Wage ordinances.

### Budget Impact

The services provided by Stantec will be paid for within approved project budgets and annual operating budgets as appropriate. Costs for inspection on private development projects are recouped through fees charged to developers.

Prepared by: Nicholas Hutchinson, P.E., City Engineer

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The City of Ann Arbor Project Management Services Unit provides construction inspection for capital and private development projects within the City's right-of-way;

Whereas, The demand for the construction inspection services fluctuates seasonally and often creates periods of peak demand for services beyond the current in-house resources;

Whereas, It is often necessary to retain consulting firms to provide additional construction inspectors to cover the planned capital projects and the anticipated private development projects;

Whereas, Stantec Consulting Michigan, Inc. (Stantec) submitted a proposal in January 2016 in response to RFP-957 for construction inspection services and was approved by City Council on April 4, 2016, to be awarded one of the professional services agreements for those services for an annual amount not to exceed \$200,000.00;

Whereas, An amendment to increase by \$75,000.00 the amount of the professional services agreement with Stantec for 2016 was approved by City Council on November 10, 2016;

Whereas, The professional services agreement with Stantec includes the option for two one-year renewals and City Council authorized the City Administrator to approve those renewals;

Whereas, The City needs an increase in the level of service during the 2017 renewal of the agreement with Stantec, which requires an increase in the annual compensation amount from \$200,000.00 to \$500,000.00;

Whereas, No other terms of the professional services agreement that was awarded to Stantec are changed; and

Whereas, The funds necessary to fund the construction inspection services are available in Project Management's approved FY 17 operating budget, and approved capital budget as appropriate if so approved by City Council;

RESOLVED, That the City Council approve the one-year renewal for 2017 of the Professional Services Agreement with Stantec Consulting Michigan, Inc. in the amount of \$500,000.00 for General Construction Inspection Services;

RESOLVED, That the option for one more one-year renewal shall remain in place, with the increase in annual amount to \$500,000.00 included, to be approved by the City Administrator, subject the availability of funding;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to form by the City Attorney and approval as to substance by the City Administrator;

and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.