

From: [Mantes, Jeffrey](#)
To: [Bauman, Robert; Dudzik, Joseph; Wade, Willie; Donovan, Robert; Puente, Robert;](#)
CC: [Schoeneck, Ronald; MacDonald, Terry; Gupta, Venu; Polenske, Jeffrey; Korban, Ghassan; Burke, Linda; Nicolini, Mark; Murphy, Michael \(Alderman\); Hines Jr., Willie;](#)
Subject: RE: File # 090891
Date: Friday, December 04, 2009 12:00:56 PM
Attachments:

All, The following file will be heard at the next Public Works committee meeting on Dec 9, 2009

14. 090891 Resolution authorizing the Commissioner of Public Works for the City Hall Foundation

Restoration Project to use an alternate delivery method.

I just thought I would present our rational for seeking authority to proceed with the on a Qualifications based Design / Build type of project delivery rather than the more typical Design, LOW BID, Build project delivery.

The nature of the work associated with this project (Stabilization and Rehabilitation of the wood pile foundation system and its Water recharge system; Restoration of the Hollow Sidewalk system) presents a fair degree of risk as it relates to unknown subsurface conditions, extent of pile deterioration, variability in deterioration of the multiple piles/clusters, extent of the well recharge repairs that are necessary, and access considerations to undertake the work. As such, below is a more detailed rational for seeking the Design/Build authority.

Major consideration was given to the the following conditions in our determination that A Design/Build delivery method would be most appropriate to manage this project:

Exposing all 2600 piles & pile caps at the same time to determine their

condition, define the scope of work, develop contract documents and then bid out the construction work (design/bid/construct process) is impracticable. The logistics of access, storage of excavated materials and prolonged exposure of the wood foundation system create an unworkable condition.

Exposing a portion of the piles & pile caps to estimate the condition, define the scope of work and develop contract documents and bid out the construction work for all 2600 piles & pile caps (design/bid/construct process) is unrealistic and impracticable.

Exposing a portion of the piles & pile caps at one time to determine their condition, define the scope of work, develop contract documents and complete the construction work on those piles & pile caps (design/build process) is the practical way to do this restoration project.

Having separate contracts for the foundation restoration, hollow side walk and water recharge system work and coordinating potentially three contractors at the same time on a tight site is impracticable. Having one contract for all three portions of this restoration project is practical.

Other factors to be considered again lead us to use of the Design/Build project delivery method;

- To have the same contractor on board carrying out the repairs who was involved with the initial Engineering investigation makes sense as they have been instrumental in determining the repair types and process.
- Estimates – They will be produced by the entity who is under contract to carry out the project and maintain the budget, therefore they will have ownership of the estimates. With the traditional method the estimates will be provided by an independent cost consultant, as with the City Hall Restoration Project. With the volume of unforeseen work involved with this project, it will be difficult to put an independent estimate together.

- Opting for the traditional procurement route of design, bid, build would result in an incomplete design or a design based on assumptions with just minimal investigation by the design team. The bids would then be based on unit rates which could be inflated due to the uncertainty of the quantity of work.
- Input in the design methods from the contractor during the investigation to aid the completion of the design.

- City has only one design build contract to administer as opposed to a separate contract for the design team and contractor. This type of contract should promote teamwork between the designer and contractor as they are the same entity.

- Owner may need to retain the services of an engineer, if one is not available on staff, to review the proposed design option and to inspect the quality of work in the field. As the designer is part on the contractor's team.

- The City would be advised to retain the services of an Owner's Representative Company to help administer the project.

- The contract will be on a Gross Maximum Price basis, with all the saving going back to the City. Not a lump sum basis where the City will not see any savings.

- The award is based as with a professional contract – fee, proposed general conditions, proposed project team and labor rates. See the attached proposed evaluation sheets.

- The City has some experience with Design Build contracts, the 6th Street Bridge and Ozone Projects

- The project is awarded on the basis of a professional qualification based contract, with price being one factor in the evaluation / selection process.

- At the time of award there is no fixed price, but with the unforeseen nature of the project, the City could be more at a disadvantage with a Lump Sum type of contract, which would subject to change orders.

- Limits your options of selection, as the designer and

contractor are the same entity.

- Gives the City greater ability to award to a contractor they are comfortable with and trust. They are not left with the lowest bidder as with the traditional approach.
- Even though the project is awarded to a design builder, the City could terminate the contract at anytime. After investigation / design or after each stage / phase of the construction. Further, the project can be staged to accommodate better project cash flow
- Should be a shorter duration with the design build method, the contractor is on board immediately. With a traditional method we would have to wait until the design was fully complete to start the bidding process. This could be 12 months later.
- Do not have to wait until the project is fully designed to commence work on site.
- During the investigation period, the proposed fix could be put in place immediately as the contractor is already under contract. Saving both time and money.
- Or if this is not desirable, rather than covering up exposed defects, temporary shoring could be put in place until the proposed fix is approved. The time period between these two stages will be less than with the traditional method. Saving both time and money
- The project could be awarded sooner, taking advantage of the current economic environment. With the traditional method the contractor may not be on board until 12 months from now.

For the above reasons, it is recommended that we proceed with this project under a qualifications based Design/Build project delivery method.

I would be pleased to further discuss if desired, prior to the PW meeting.

Thanks for you time and consideration in this matter

Jeff

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