



CITY COUNCIL AGENDA REPORT

MEETING DATE: 5/21/2024

DEPARTMENT: Public Works

SUBJECT:

AWARD OF CONTRACT FOR CIVIC CENTER FACILITY MANAGEMENT SERVICES

RECOMMENDED ACTION(S):

1. Award an Agreement for Maintenance Services in the amount of \$2,313,920.34 to Kidder Mathews of California, Inc., for Civic Center Facility Management Services.
 2. Authorize the Mayor to sign, and the City Clerk to attest, the award of an Agreement for Maintenance Services to Kidder Mathews of California, Inc., substantially in the form attached.
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EXECUTIVE SUMMARY:

The current agreement with Kidder Mathews ("Kidder") for Civic Center facility maintenance services expires on June 30, 2024. Staff issued a Request for Proposals ("RFP") on January 22, 2024. The procurement process is a qualifications-based selection process. The RFP selection process is based on a contractor's experience, understanding of the scope of services, proposed personnel, completion of similar projects in a timely manner, and ability to provide optimal services at an acceptable cost. After completing a competitive process as outlined in the City's Purchasing Guidelines, staff identified the most qualified contractor for Civic Center facility maintenance services as Kidder. Therefore, staff recommends the City Council award an Agreement for Maintenance Services to Kidder.

The term for the proposed agreement would be three years with two optional one-year extensions at the discretion of the City Council. The proposed Agreement for Maintenance Services for Civic Center Facility Maintenance with Kidder ("Agreement") would begin July 1, 2024 (Attachment 1). The Agreement includes a compensation amount of \$2,313,920.34. Sufficient funds for the Agreement are included in the 2023-2025 Operating Budget. The award of contract would provide the services of a third party to provide facility maintenance services at the Civic Center for over 30 distinct operational items. Operational items include, in part, the operating of, preventative maintenance for,

and emergency repairs for: heating, ventilation, air conditioning, elevators, charging stations, painting, plumbing, solar panels, supplies, roofs as well as any doors and security hardware for the four buildings at the Civic Center. The complete scope of maintenance services is included in Exhibit “A” of the proposed Agreement.

The Finance Department prepared the maintenance services agreement with Kidder, which the City Attorney reviewed and approved the agreement as to form.

BACKGROUND:

The Lake Forest Civic Center opened to the public in 2019 and serves as the City’s “100 Year Home”. The 12.5-acre site is comprised of an 8.1-acre Civic Center Campus, 2.6 acres of Mitigation area and 1.8 acres of landscaped slopes. Table 1 describes the size of the Civic Center Campus.

Table 1: Civic Center Campus

Facility	Acreage
City Hall & Community Policing Building	52,000 Sq Ft.
Council Chambers and Performing Arts Center	14,000 Sq. Ft.
Senior Center	18,000 Sq. Ft.
Community Center	18,000 Sq Ft.
Parking Structure	109,340 Sq. Ft.

Kidder has provided facility maintenance services since the opening of the Civic Center in 2019. The City initiated a Request for Proposals (“RFP”) for Civic Center Facility Management Services on January 22, 2024. The scope of work in the proposed Agreement includes the following:

- One full-time building engineer on campus
- Electrical repairs
- Elevator maintenance
- Graffiti/ Nuisance/ Pressure wash/ Window cleaning.
- HVAC maintenance
- Plumbing repairs
- Roofing repairs

The proposed Agreement includes scope of work items not originally included in the previous agreement. These areas include maintenance for automatic doors,

fountains, shade covers, solar panels, and rain gutters. The Agreement would also include floor care management for both carpet and wood flooring.

The Civic Center requires detailed attention and immediate response for maintenance repairs. Staff have experienced how a third party with substantial resources and contacts can respond quickly and effectively to the general facility maintenance needs of a building. Additionally, utilization of a contractor to oversee daily maintenance responsibilities will relieve the need to acquire more full-time staff and allow current maintenance staff members to focus on facility needs at other City facilities. The City's Facility Maintenance Manager works directly with the assigned property manager to approve work and assign daily maintenance activities.

DISCUSSION:

Staff solicited proposals for Civic Center facility management services in January 2024. The City received two proposals for the services. Proposals were received from Kidder Mathews and GSH Group. A selection committee comprised of the staff listed below reviewed and scored the proposals:

- Director of Public Works/City Engineer
- Public Works Maintenance Manager
- Facility Maintenance Manager
- Recreation Manager

Technical Review and Interview Process:

The review process is comprised of three phases: the Technical Review of written proposals, the Qualifications Interview phase, and the cost proposal evaluation. The Purchasing Guidelines require the Selection Committee to review all proposals submitted in response to the RFP. Staff reviewed the proposals submitted by Kidder and GSH Group. As summarized in Table 1, staff reviewed the proposals, and all contractors met the minimum required technical criteria and staff therefore invited them to the interview process. Table 2 shows the total score for the interview and cost.

Table 1:
Technical Review Scoring

Vendor	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Total Score (Max Score 100)
Kidder Mathews	90.5	85.5	79.5	80	83.88

George S. Hall, Inc.	81.5	70	61	66.5	69.75
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Table 2:
Aggregate Scores Summary - Interview and Cost Scoring

Vendor	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Total Score (Max Score 200)
Kidder Mathews	175.2	165.6	192	169.6	175.6
George S. Hall, Inc.	163.2	139.2	167.2	140.8	152.6

During the qualifications interview Kidder Mathews demonstrated their knowledge and experience managing facilities. Cost Proposal scoring is based on the costs for monthly and as-needed services. At the conclusion of the interview process, both firms had the opportunity to submit a last, best, and final cost proposal. After all scores were received, Kidder was the highest ranked and lowest cost firm. City staff negotiated with Kidder and the contractor was willing to lower their mark-up cost from 20% to 15%. Kidder's prior agreement with the City included a 20% mark-up. Table 3 below describes the final cost proposals.

Table 3
Cost Proposals

Firm	3-Year Cost Proposal
Kidder Mathews, Inc.	\$2,313,920.34
GSH Group, Inc.	\$2,410,147.74

The cost includes routine monthly maintenance, inspections, routine repairs, and emergency repairs. After the analysis of the proposals and costs, staff determined Kidder is the most qualified and cost-effective contractor for Civic Center Facility Maintenance Services. Kidder is the highest rated and lowest cost firm for Civic Center Facility Management Services. Kidder has worked on similar facilities for the Port of Olympia, City of Tacoma, University of Washington, Oregon Institute of Technology, Amazon, and Kaiser Foundation Health Plan. Its corporate headquarters are located in Seattle, Washington, with a regional office located in Irvine. Kidder Mathews has a portfolio of over 600 commercial real estate assets with 53 million square feet of space to maintain. This provides their company with a variety of contractors to immediately contact to resolve maintenance issues. Maintenance issues are responded to twenty-four hours a

day, seven days a week. The reference check with other agencies stated the quality of the company's work has been very good (Attachment 2).

The Finance Department prepared the proposed Agreement for Maintenance Services with Kidder, which the City Attorney reviewed and approved the agreement as to form. The proposed Agreement would be for the standard 3-year initial term with two optional one-year extensions based on performance and at the City Council's discretion. The proposed agreement includes a total not-to-exceed compensation amount of \$2,313,920.34. Per the City's Purchasing Guidelines, the City Manager may approve additional work not-to-exceed 10% of the original Agreement amount. Staff recommends the City Council award an Agreement for Maintenance Services with Kidder.

FISCAL IMPACT:

The proposed Agreement for Maintenance Services includes \$2,313,920.34 in total compensation. The Agreement includes a 3-year term ending June 30, 2027, with two optional one-year extensions. Sufficient funds are included in the 2023-2025 Operating Budget to cover the costs of the recommended action.

ATTACHMENTS:

1. Agreement for Maintenance Services with Kidder Mathews, Inc., for Civic Center Facility Management Services
2. References for Kidder Mathews, Inc.

Initiated By: Michael McConaha, Public Works Maintenance Manager
Submitted By: Thomas E. Wheeler, P.E., Director of Public Works/City Engineer
Approved By: Debra Rose, City Manager