

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: April 25, 2024

PREPARED BY: Lucero Leyva, Senior Project Manager

REQUEST: AUTHORIZE AND AWARD TKE ENGINEERING, INC., AS AN ADDITIONAL CONSULTANT TO THE ON-CALL CONSTRUCTION MANAGEMENT CONTRACT IN AN AGGREGATE AMOUNT NOT TO EXCEED \$11,739,394

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## **RECOMMENDATION:**

1. Authorize and award TKE Engineering, Inc., as an additional consultant to the On-Call Construction Management Contract in an aggregate amount not to exceed \$11,739,394.
2. Authorize the City Manager to execute said agreements and subsequent task orders.
3. Direct the City Attorney, Director of Finance, and Director of Public Works/Capital Projects to review annual expenditures and performance of the vendors under said Agreement.

## **BACKGROUND/ANALYSIS:**

On February 16, 2023, the City Council approved a multiple vendor contract for On-Call Construction Management services, and other related services as needed, in a cumulative amount not to exceed \$11,739,394.

On March 23, 2023, the City Council approved the addition of MAAS Companies, Inc. as the third consultant for the \$11.74M On-Call Construction Management Services contract.

To continue to support the planned projects in the 5-year CIP efficiently and effectively, staff has found it necessary to request that the scope of the On-Call Construction Management Contract be expanded to include Engineering Services. In addition to construction, project and program management, these services would include civil engineering, traffic engineering, roadway design, survey, and inspections. Active capital projects like Walk and Roll Phase 2 and 3, El Paseo Street Resurface, Fire Stations Remodels and Construction, City Slurry Seal and several of the Housing Authority Pavement and Path of Travel Assessments and Designs, would stand to benefit from this action immediately.

The planning department did complete a request for proposal for Engineering in March of 2023 in which TKE Engineering, Inc., submitted a proposal and was interviewed by city staff. While their proposal was not selected for the award at that time, they were the second-highest evaluated consultant. Since then, TKE Engineering, Inc. has been awarded a smaller professional services contract for engineering and planning development services and continuously demonstrated its ability to successfully meet the expectations of city staff. City staff recommends the addition of TKE Engineering, Inc. to the On-Call Construction Management services contract to continue to help support staff with the development, assessment, and implementation of current and future CIP projects.

If approved, TKE Engineering will be added to the vendors approved for On-Call Construction Management and Engineering Services Agreement. Their contract will be managed in a task order format; the city will request a task proposal from the consultant, the consultant will submit the proposal, City staff will review and negotiate the cost and schedule, and then the task order will be issued to the consultant. Tasks and expenses will be tracked and managed to ensure that all the aggregate contract amounts do not exceed the total \$11.74 million identified for construction management and engineering services.

**FINANCIAL IMPACT:**

There is no additional fiscal impact to the general fund beyond the allocation from the appropriate/associated CIP account. Additional monies may need to be appropriated to support the full engineering services needed for the full construction of a project. The table below illustrates the remaining balance available for on-call services for all vendors under this Task Order Agreement.

Aggregate Amount Not To Exceed:		\$ 11,739,394
On-Call Construction Management Svcs	-T	CY Budget
<b>[-] ANSER</b>		<b>\$ 802,400</b>
CV Link Enhancement	\$	7,240
Fire Station 33-CFA	\$	26,750
Fire Station 71	\$	26,750
Haystack Channel	\$	4,890
Haystack Traffic Calming	\$	206,930
North Sphere FS 102	\$	248,530
One Quail Place Parking Lot & Carport Rehab	\$	86,590
PD Link Phase 2	\$	13,000
Section 29 Retention	\$	179,170
Walk and Roll PD	\$	2,550
<b>[ ] MAAS Co</b>		<b>\$ 708,981</b>
Civic Center Master Planning		
Discover PD	\$	31,606
Library Special Projects		
Office Space Planning		
One Quail Place Parking Lot & Carport Rehab	\$	171,840
Sheriff Substation Assessment	\$	10,020
Various Projects - see invoice backup for more info	\$	495,515
<b>[ ] MARRS</b>		<b>\$ 213,539</b>
Discover PD	\$	34,676
North Park Desert Comm.	\$	178,863
<b>Grand Total</b>		<b>\$ 1,724,920</b>
<b>Remaining Balance</b>		<b>\$ 10,014,474</b>

**ATTACHMENT:**

1. TKE Engineering Inc. Proposal
2. TKE Engineering CM Contract