



ADMINISTRATIVE REGULATION

Office of the City Administrator

Number: AR 119
Sections: 1-7
Effective Date: 3/19/02

SUBJECT: ADMINISTRATION OF A MAJOR PUBLIC PROJECT

1. **PURPOSE:** To establish procedures for major public project development in order to protect the City from liability; improve inter-departmental communications; ensure quality and budget control; employ cost-effective approaches; comply with health and safety regulations; obey State law; protect the environment; streamline processes; and assure to the client department the desired final product.
2. **AUTHORITY:** Charter of the City of Huntington Beach, Section 401.
3. **APPLICATION:** All departments involved in development of major public projects
4. **DEFINITIONS:** Guidelines have been adopted by City staff regarding development of major, multi-department public construction projects. This document establishes companion regulations.
 - 4.1. **Project Team** -- Multi-department task force assembled to develop a single major project. The team will continue operation throughout the life of the project.
 - 4.2. **Client** -- The department that provides funding for the project.
 - 4.3. **Scope of Work** -- Project-specific tasks to be accomplished by a consultant.
 - 4.4. **Request for Proposals (RFP)** -- Written document sent to selected consultants, including a scope of work, which solicits written proposals to perform work.
 - 4.5. **Qualifications Based Selection (QBS)** -- State-mandated selection process for hiring professional consultants pursuant to the State of California's "Mini-Brooks" Act.
5. **POLICY.** Guidelines have been adopted by City staff regarding development of major, multi-department public construction projects. This document establishes companion regulations
6. **RESPONSIBILITIES.**
 - 6.1. City's Executive Team shall have responsibility for deciding whether a project is a major public project. Such decision would lead to creation of a project team.

- 6.2. Department heads have responsibility to appoint members to a project team.
- 6.3. Project team members have responsibility to, among other things, attend regular team meetings; study project characteristics; make recommendations; develop and formalize the goals and priorities of the project; carry out assignments resulting from team meetings; review preliminary and final design; monitor construction progress; and review, evaluate and assist with the resolution of questions which develop during construction.
- 6.4. A representative from Public Works Department/Engineering Division shall be in charge of all project team meetings and shall coordinate with client department.
- 6.5. Public Works Department/Engineering shall oversee design development and shall administer all major public projects.

7. **PROCEDURES.**

- 7.1. **Major Public Project Determination** -- Project is considered "major" when one or more of following occur: Funding comes from a department other than Public Works; construction, major remodeling or expansion of a building; initial construction cost estimate is more than \$200,000; potentially controversial project; exotic or one-of-a-kind improvement; apparent environmental issues including, but not limited to, historic rehabilitation, asbestos, methane, toxics, contaminants, wetlands, de-watering, sink-holes, view corridors, etc.
 - 7.1.1. Determination Authority -- Executive Team shall determine whether a project is "major".
- 7.2. **Project Team** -- If a project is considered major, a "project team" shall be formed.
 - 7.2.1. **Timing** -- The team begins to meet before conceptual consultant is hired.
 - 7.2.2. **Team Composition** -- Executive Team determines which departments participate on project team. Client department shall always have a member on the team. The City Attorney's and City Treasurer's offices may have a representative on the team at various stages.
 - 7.2.3. **Representation** -- Representatives of member departments shall be selected by respective department heads.
 - 7.2.4. **Chairman** -- A representative from Public Works/Engineering shall be in charge of all teams and shall coordinate with the client department.

7.2.5. **Cost-Effectiveness** -- To conserve project costs and labor charges, the team shall be committed to meeting only when absolutely necessary, otherwise conducting business over the telephone or by E-mail; preparing written agendas for each meeting to keep it focused; guests invited only when needed; consultants attend, only when necessary.

7.3. Pre-Conceptual Project Phase

7.3.1. **Germination of a Project** -- Funding or client department submits potential project to the Executive Team for preliminary discussions before consultant is hired. Preliminary discussions shall include the development of goals and priorities.

7.3.2. **Preliminary Project Cost** -- Public Works Department/Engineering shall prepare the first preliminary project cost estimate. The preliminary budget will be used to determine the viability of the project, the setting of goals and priorities and the procedure to be used by the project team. It shall not be used for establishing the final project budget. The cost estimate shall include all permit fees and annual maintenance costs.

7.4. Conceptual Project Phase

7.4.1. **Consultant Recruitment** -- Public Works Department/Engineering, with the assistance of the client department, shall recruit for a consultant to develop various options and conceptual plans.

7.4.1.1. **Legal Requirements** -- The Federal "Brooks" Act and the California "Mini-Brooks" Act or "QBS" laws require that consultants be hired, based solely upon qualifications. (Bidding professional services is, therefore, forbidden by Federal and State law.)

7.4.1.2. **Method of Recruitment** -- Consultant recruitment shall be consistent with "QBS" guidelines of the State of California's "Mini-Brooks" Act and applicable City ordinances.

7.4.1.3. Consultants submitting proposals for the conceptual phase of the project shall not include a design phase proposal, since the final scope of work has not yet been determined.

7.4.1.4. **Contracts** - the City Attorney's office shall prepare the necessary consultant contracts, which will be reviewed by the City Treasurer for payment terms and conditions and Business License requirements.

- 7.4.1.5. Prior to presentation to and/or discussion with any public group, project team shall review conceptual plan for various facets, including but not limited to compliance with project goals and adopted codes; functionality; energy usage; site environmental constraints; property title and easement concerns; maintainability; and cost to construct and maintain. Regulatory and maintenance-related departments shall provide respective comments.
- 7.4.1.6. **Conceptual Cost Estimate** -- Consultant shall prepare detailed cost estimate to be used to establish final project budget, including all appropriate City fees, taxes and annual maintenance costs.
- 7.4.1.7. **Maintenance** -- A funding source shall be identified for increased annual maintenance costs resulting from the project.
- 7.4.1.8. **Project Schedule** -- The project team and consultant shall develop a detailed project schedule that identifies milestones for the design, construction and the expenditure of funds and to also include timeline for cash needs to be provided to the City Treasurer.
- 7.4.1.9. **Insufficient Funding** -- If client department is unable to secure all necessary funds, the team shall reevaluate the goals and priorities and shall develop ways to scale-back or phase the project.
- 7.4.1.10 **Site Encumbrances** -- Real Estate Services shall conduct a title search of project site and provide written confirmation that the City has clear title to the property and disclose all easements or other potential obstructions to project prior to commencement of project design.

7.5. Design Project Phase

- 7.5.1. **Scope of Work** -- Once a concept has been approved by City Council and total funding is established, the project team should then develop final scope of work.
- 7.5.2. **Request for Proposals** -- From scope of work, Public Works/Engineering then prepares a Request for Proposals (RFP).
- 7.5.3. **Consultant Recruitment** -- Refer to Sections 7.4.1.

- 7.5.4. **Contracts** - The City Attorney's office shall prepare the necessary consultant contracts, which will be reviewed by the City Treasurer for payment terms and conditions and Business License requirements.
- 7.5.5. **Work Components** -- include, but are not limited to, final design drawings; construction documents, ready for bidding; final detailed cost estimate prior to bidding; submitting and guiding plans through plan-check and permitting processes; coordinating the project with all affected utilities, County, State, and Federal agencies; regular site visits during construction; attendance at job meetings; preparation of bidding addenda; change order sketches; and "as-built" drawings.
- 7.5.5.1. The City Attorney's office shall prepare a proposed construction contract for inclusion in the bid documents and shall review the plans and specifications, including the invitation to bidders and all general conditions, to be certain that the provisions are consistent with City's policies and the other contracts on the project.
- 7.5.6. **Constructability Review** -- On projects involving an expenditure of more than \$1,000,000 (design plus construction) or on unique projects, a consultant shall be hired prior to bidding, to perform a constructability check. Depending on the nature of the project, this consultant may be hired during design development or immediately prior to bidding. If consultant discovers costly or non-cost-effective items, the project team shall then ask Public Works Department/Engineering staff to direct design consultant to make necessary changes in design.
- 7.5.6.1. **The Consultant Recruitment** -- Refer to Section 7.4.1.
- 7.5.6.2. **Contracts** - The City Attorney's office shall prepare the necessary consultant contracts, which will be reviewed by the City Treasurer for payment terms and conditions and Business License requirements.

7.6. Construction Project Phase

- 7.6.1. Public Works Department/Engineering shall be responsible for administering the project. The project team shall monitor the construction progress and the expenditure of funds and provide a timeline of expected expenditure updates to the City Treasurer. Upon request, the project team shall assist Public Works Department/Engineering with the evaluation and resolution of questions that develop during construction.

7.6.2. **Construction Management** -- A construction management consultant shall be hired whenever the project is not a traditional Public Works (street, storm drain, sewer) project; (i.e., unusually large projects; architectural projects, such as new building construction, remodeling, or major structures; projects involving extensive environmental or other specialty work; or for projects requiring extensive paperwork.

7.6.2.1. **Consultant Recruitment** -- Refer to Sections 7.4.1.

7.6.2.2. The City Attorney's office shall prepare the construction management contract and shall coordinate this contract with the design consultant's contract and the construction contract.

7.6.3. **Permitting** -- Regulatory staff shall treat a City project in the same manner as private development regarding permit fees, parking requirements, set-backs, CUPS, variances, etc.

7.6.4. **Fees** -- All regulatory fees associated with project shall be paid from project budget.

7.6.5. **Future Maintenance of Project Facility** -- Request for Council Action authorizing advertisement of project shall include a "Maintenance Impact Statement" identifying funding sources for increased annual maintenance costs created by project.

7.6.6. **Client Involvement** -- Public Works Department/Engineering shall issue -- all written and oral direction to contractor including contract change orders. A client department desiring a change, shall notify project team or project manager. The project manager shall then negotiate a cost with contractor and initiate resultant change order.

7.6.7. **Finalizing the Project/Certificate of Occupancy** -- When regulatory departments consider punch-list items complete and facility safe to occupy, a Certificate of Occupancy shall be issued. No grand openings or other meetings or events within facility will be allowed before then.

Ray Silver, City Administrator

Date