FINANCE MEMORANDUM #14-02

DATE: February 10, 2014

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: John R. Pick, City Manager Jason Loveland, Director of Finance

SUBJECT: Design-Build and Notice Inviting Bids Ordinance

BACKGROUND:

At the February 3, 2014 Study Session, staff presented the City Council with a proposed Design-Build and Notice Inviting Bids Ordinance for their consideration. The Council supported bringing forward the proposed Ordinance that will add Section 6-5-10 and amend language in Section 6-5-3 of the Municipal Code.

Attached is a draft Ordinance prepared by the City Attorney and staff for Council consideration. The Ordinance sets forth the protocol for Design-Build projects in Northglenn. Much of the language is similar to that of the existing Code language used in Article 5 of Chapter 6 of the Municipal Code. The main exception being Section 6-5-10(a) "where the City Council determines by Resolution, upon the City Manager's recommendation, that the City's best interests are served by the use of such an alternative competitive selection process."

When preparing the design-build document, another matter was noted and is also addressed in the attached Ordinance. Section 6-5-3(a) is being recommended to be amended to eliminate the publication by newspaper, and replace it with a publication process that better reflects how notices are actually given and bids put on the street by the City. Specifically, the new language requires that bids be published "at least once in a manner calculated to obtain the best representation of qualified bidders in the Denver metropolitan area." This allows the notices to be put on the eBid sites, and the proposed Ordinance makes a conforming change to the notice provision for the standard formal bid process as well.

PROS/CONS:

The Ordinance authorizes a process to be used when considering a Design-Build project.

BUDGET IMPACT:

The proposed policy does not result in a budgetary impact.

STAFF REFERENCE:

Contact Jason Loveland at jloveland@northglenn.org or at 303-450-8817.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S BILL

ORDINANCE NO.

No. <u>CB-1818</u> Series of 2014

Series of 2014

A BILL FOR AN ORDINANCE AMENDING THE NORTHGLENN MUNICIPAL CODE BY THE ADDITION THERETO OF A NEW SECTION 6-5-10 SPECIFICALLY AUTHORIZING DESIGN-BUILD CONTRACTS AND AMENDING SECTION 6-5-3 OF THE NORTHGLENN MUNICIPAL CODE REGARDING THE PUBLICATION REQUIREMENTS FOR NOTICES INVITING BIDS

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

<u>Section 1</u>. The Northglenn Municipal Code is amended by the addition thereto of a new Section 6-5-10 to read as follows:

Section 6-5-10. <u>Competitive selection process – "Design-Build Contracts"</u>.

(a) *General:* Contracts for the construction, reconstruction or remodeling of general public improvements may be let through a "Design-Build" process as an alternative to those processes set forth in this Article 5 of Chapter 6 of the Northglenn Municipal Code, where the City Council determines by Resolution, upon the City Manager's recommendation, that the City's best interests are served by the use of such an alternative competitive selection process. Subject to any requirements and limitations provided for in this section, the City Manager shall be responsible for determining and administering the competitive "Design-Build" selection process and project delivery method appropriate for construction of each such improvement. For purposes of this Section 6-5-10, a "Design-Build" contractor shall be responsible for the design and construction of the general public improvement for which the process is utilized.

(b) *Contractor Selection/Design Build:* The City may utilize a competitive selection process by means of a fair, open and free competition using a Design-Build process. At a minimum, any competitive Design-Build selection process shall include the following:

(1) A written solicitation adequate to notify potential qualified contractors, subcontractors and suppliers of the nature of the work opportunity, including a general description of the contemplated scope of the project work, the anticipated method of project delivery, and a recitation of the significant standards and legal and technical requirements applicable to the project work. Said solicitation shall be published at least once in a manner calculated to obtain the best representation of qualified bidders in the Denver metropolitan area, and in addition, the City Manager, or his designated representative, may solicit bids from responsible prospective contractors;

(2) A written description of the competitive "Design-Build" selection procedure the City will utilize to award a contract for the project work; such description to include: a recitation of any responsiveness requirements applicable to each submission, a listing of the significant selection procedure milestones and deadlines impacting submissions, a description of the minimum qualifications required, including all applicable prequalification rules and regulations, and a discussion of any other requirements necessary to deliver a complete and responsive submission to the department's solicitation;

(3) A written statement of the criteria and other factors to be used by the City in evaluating each responsive submission; such evaluation factors shall include, but shall not be limited to: proposed fees (including general conditions and markup), expenses or cost saving considerations, as appropriate to each project; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; recent, current, and projected workloads of the firm; and as applicable, the concept of the project. The statement will also include a brief narrative describing the review, evaluation, selection and, as applicable, the contract negotiation process; and

(4) A written notification of selection, ranking for negotiation or rejection issued to each entity making a submission in response to the City's solicitation.

<u>Section 2</u>. Section 6-5-3, subsection (a) of the Northglenn Municipal Code is amended to read as follows:

<u>Newspaper NOTICE INVITING BIDS</u>. A notice inviting bids shall be published AT LEAST ONCE IN A MANNER CALCULATED TO OBTAIN THE BEST REPRESENTATION OF QUALIFIED BIDDERS IN THE DENVER METROPOLITAN AREA at least once in at least one newspaper having a general circulation in the City of Northglenn or in the Denver metropolitan area at least five days before the last day set for the receipt of proposals. This notice shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be obtained, and shall specify the time and place for opening bids.

INTRODUCED, READ AND ORDERED POSTED this ____ day of _____, 2014.

JOYCE DOWNING Mayor

ATTEST:

JOHANNA SMALL, CMC City Clerk PASSED ON SECOND AND FINAL READING this ____ day of _____, 2014.

JOYCE DOWNING Mayor

ATTEST:

JOHANNA SMALL, CMC City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN City Attorney