



**City of Santa Ana**  
**20 Civic Center Plaza, Santa Ana, CA 92701**  
**Staff Report**  
**August 20, 2024**

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**TOPIC:** Construction Management at Risk Services for the State Building Demolition Project

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**AGENDA TITLE**

Agreement with Bernards Bros, Inc., for Construction Management at Risk Services for the State Building Demolition Project (Project No. 24-9002) (Non-General Fund)

**RECOMMENDED ACTION**

Authorize the City Manager to execute an agreement with Bernards Bros, Inc. to perform Construction Management at Risk services for the State Building Demolition Project in the amount of \$765,481, with a contingency of \$84,519, for a total amount of \$850,000, for a two-year term beginning August 20, 2024 and expiring August 19, 2026, with an option for two, one-year extensions (Agreement No. A-2024-XXX).

**GOVERNMENT CODE §84308 APPLIES:** Yes

**DISCUSSION**

The Public Works Agency (PWA)'s Engineering Division is responsible for the administration and oversight of all Capital Improvement Projects in the city. The City received grant funding from the State for the acquisition of the State Building and modernization of the Civic Center. On December 28, 2023, the City of Santa Ana purchased the State Building located at 28 Civic Center Plaza (Exhibit 1) and is proposing to demolish the building with the intent of facilitating future development. The State Building consists of an 8-story concrete structure with 191,832 square feet, approximately 183 ft. by 131 ft. To facilitate an expedited timeline for demolition, a Construction Manager at-Risk (CMAR) delivery method was recommended. This will allow for a single entity to prepare the plans, publicly bid the project, and oversee the demolition. The demolition will be implemented in two phases. The first includes the pre-demolition planning including environmental analysis and preparation of plans and specifications for the demolition. At the completion of the construction document phase, Bernard Bros, Inc. will prepare a Guaranteed Maximum Price (GMP) for the demolition and site work. Staff will negotiate with Bernard Bros, Inc. and, if mutually agreed upon, will return to the City Council with a recommendation to amend the contract for the phase two demolition and site work scope. The first phase is expected to be completed in six months, with the second phase finishing by December 2025.

In addition to preparing Engineering plans and documents for the demolition of the State Building, the scope of work includes the preparation of engineering plans to remove portions of the Civic Center Plaza to accommodate the demolition and provide a secure, contiguous space so pedestrians can maneuver throughout the Civic Center. As an interim condition, the demolished space will be converted to accommodate parking spaces along with irrigation, landscaping, and security lighting.

On April 3, 2024, the Public Works Agency released Request for Qualifications (RFQ) No. 24-032, by which it sought a qualified firm to provide CMAR services with special skills and knowledge in the field of construction management, engineering, demolition, landscape architecture, and administrative services to develop and provide engineering plans for the State Building Demolition project.

The RFQ was advertised on the City's online procurement management and publication system, with proposals due June 12, 2024. One proposal was received and evaluated by a selection committee. Based on criteria outlined in the RFQ, the following summarizes the responding firm.

<b>Firm</b>	<b>City</b>	<b>Rank</b>
Bernards Bros, Inc.	Irvine, CA	1

Staff recommends awarding an agreement (Exhibit 2) to Bernards Bros, Inc. to provide full construction document services upon the scope of work and selection criteria outlined in RFQ 24-032. Bernards Bros, Inc., will provide general construction management at risk services including engineering drawings, constructability review, and public bidding services. Their proposal demonstrated the firm has the necessary capacity and expertise to complete the required services. The firm's rates are reasonable and within industry standards, the team qualifications are appropriate for this project, and the proposal was determined to provide the best value for the City.

#### **ENVIRONMENTAL IMPACT**

There is no environmental impact associated with the action.

#### **FISCAL IMPACT**

Funds in the amount of \$850,000 were available in the Modernization of SA Civic Center, Buildings and Building Improvements account (41818833-66200) in FY 2023-24. Therefore, a proposed carry-over of unspent funds will be presented to the City Council in September for approval of carry-overs to FY 2024-25.

#### **EXHIBIT(S)**

1. Location Map
2. Consultant Agreement with Bernards Bros, Inc.

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, City Manager