



AGENDA MEMORANDUM

Action Item for the City Council Meeting of May 16, 2023

DATE: May 16, 2023

TO: Peter Zanoni, City Manager

FROM: Jeff H. Edmonds, P. E., Director of Engineering Services
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Master Services Agreement
Staff Augmentation Services

CAPTION:

Motion awarding a Master Services Agreement for Staff Augmentation Services to AG|CM of Corpus Christi in a total amount not to exceed \$1,500,000.00 with a base year and one renewal option to be administratively authorized supporting projects located Citywide with funding available from the Capital Program and Bond Program.

SUMMARY:

This motion approves a Master Services Agreement to perform as-needed Staff Augmentation Services addressing critical staffing needs experienced in Engineering Services and support delivery of the Capital Improvements Program.

BACKGROUND AND FINDINGS:

Engineering Services is charged with managing the delivery of the City's Capital Improvements Program. Successful implementation of these programs requires a properly staffed and trained team of program and construction professionals. The department has historically used a blend of in-house and contracted staff resources to accomplish its mission of delivering the City's capital improvement program.

The active construction portfolio has 60 contracts with a total current portfolio value of approximately \$420 Million. This is expected to continue increasing rapidly throughout the calendar year. We are entering a situation where the compensation plan and recruitment may not be well aligned with the labor market. It is becoming increasingly difficult to hire appropriately qualified staff for existing vacancies.

The FY 2023 budget made significant staffing increases in Construction Management but hiring to date has not made significant headway in filling those positions. Engineering and Human Resources are implementing improvements to make the recruiting process more effective. This contract will help Engineering maintain project throughput and oversight while we work to enhance

recruitment and retention.

The Engineering Services Department has historically used a blend of in-house and contracted staff resources to accomplish its mission of managing capital project delivery. The contract staff are managed in a very similar fashion to City Employees. The contracted personnel are expected to maintain regular business hours on their assigned days of work and to complete required deliverables in the same fashion as a City Employee performing in the same capacity. They are simply paid through the vendor rather than City payroll.

The MSA will be a task order driven contract. The funding will come from projects that are supported by contract employees in the same way that Engineering Services charges for our in-house staff's time. The task orders will be based on the hourly T&M rates listed in the contract rate schedule.

By retaining the services of AG|CM, staff can ensure that major CIP projects have a dedicated staff member, and an architectural review. Some major construction projects to be covered with this contract total \$82.5 million and include:

- Police Training Academy--\$21 million
- Fire Station #3--\$9.5 million
- Bill Witt Aquatic Center--\$10 million
- Water Gardens--\$8 million
- Yorktown Boulevard--\$20 million
- Flour Bluff Drive--\$14 million

COMPETITIVE SOLICITATION PROCESS

This professional services contract falls under statutory exemption and does not require a competitive solicitation. AG|CM specializes in helping organizations manage and staff large capital construction programs. They do not design or build projects but act solely as Owner's Representatives.

Organizations often have internal Project Management departments, such as Engineering Services, to oversee construction. Sometimes schedules and staffing deficiencies cause the entities to look externally for additional support. In these situations where workloads exceed internal capacity, AG|CM offers Staff Augmentation services to clients. They have frequently supported the City with staff augmentation services in the past.

AG|CM is a locally headquartered firm that has been a valued partner of the City since 1996. AG|CM provides a unique service offering in the local marketplace. This contract is being solely sourced to AG|CM in the interest of expediting access to these time-sensitive services and because of their specialized local service offering. A competitive solicitation would take several months to complete.

ALTERNATIVES:

City Council could choose not to award the MSA but this will result in delays and increased costs for both design and construction.

FISCAL IMPACT:

The fiscal impact is an amount of \$1,500,000.00 for the two-year term to be funded through the Capital Program and Bond Program Funds.

FUNDING DETAIL:

Funding will be available within the budgets of the supported capital projects.

RECOMMENDATION:

Staff recommends approval of this motion to award an MSA to AG|CM. The services are planned to start in May 2023 with completion by April 2025.

LIST OF SUPPORTING DOCUMENTS:

AE Contract Template