



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 13, 2016
Action Item for the City Council Meeting of September 20, 2016

DATE: August 25, 2016

TO: Margie Rose, City Manager

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Approval of Professional Services Support Contracts Engineering Services

CAPTION:

Motion authorizing the City Manager, or designee, to execute the Professional Services Agreements (PSAs) totaling in the amount of \$994,578 to provide Engineering staff support for executing the Bond and CIP programs.

PURPOSE:

The purpose of this Agenda Item is to obtain authority to extend the PSAs with various professional service consultants to provide engineering staff support services in executing the Bond and CIP programs.

BACKGROUND AND FINDINGS:

Engineering Services is charged with the procurement of professional engineering, architecture and construction services related to execution of the Bond and Capital Improvements Programs. The department has historically used a blend of in-house and contracted staff resources to accomplish its mission of facilitating capital project execution. Currently, 367 active Capital Improvement and Bond Projects are in the planning, design, bid/acquisition, construction and closeout phases with a total current portfolio value of approximately \$380 Million. The projects include streets, utilities, parks & recreation, facilities, public safety, Marina, American Bank Center, Seawall, Corpus Christi International Airport and other areas of the City system.

This item is a continuation of the staff support contracts for Engineering Services that were previously

approved by Council on September 15, 2015. Several of these contracts are reaching contract ceilings and require renewal to maintain continuity and adherence to published project schedules. Efforts to update the Engineering Departments' compensation plan are underway and active recruiting continues. It will take at least 6-12 months however, to address the departments' staffing shortfalls. Two contracts have already expired and were extended by administrative level amendments.

The Engineering Department currently has 73 budgeted positions with 29 vacancies: a 40% vacancy rate. Of the 29 vacancies, 23 (79%) are directly associated with the Project and Construction Management groups. The Project Management group is at a 76% vacancy rate and Construction Management has a 42% vacancy rate. Key positions, such as Major Project Engineers and Construction Inspectors, have remained vacant for more than 18 months due to limited, qualified applicants and applicants declining due to the positions' pay scales. Because of these recruiting difficulties, as well as increased staff demands, Engineering Services must continue to supplement the vacancy rate with contracted experienced professional resources.

In early 2016, a performance assessment was performed by Frank Brogan Consulting. The assessment report indicated that Engineering Services' compensation plan was not aligned with the labor market. The assessment concluded that contracted staff positions are critical to accomplishing the department's mission until adjustments to the compensation plan can be made to make recruiting efforts more effective. Engineering and Human Resources Staff are implementing improvements that will make the recruiting process more effective. This will allow the Engineering Department to reduce the reliance on contract staff.

Engineering Services has divided the contracted services into contract staff support and specialized services. Contract staff support consists of individuals that are managed like employees, have City offices and work regular office hours. The specialized services are defined as those services that are outside normal staff responsibilities and daily functions and closer resemble the project related professional services that engineering typically procures. The specialized services are being discussed here because these were bundled into the previous staff augmentation contracts that were approved in 2015.

One example of the specialized service support is addressing land acquisition and interagency coordination related to the Harbor Bridge. Another area of specialized support services includes internal Quality Control audits facilitation on business process improvements. In the future, those specialized support services will be treated separately from contract staff support.

This item is seeking approval of multiple time and material contracts with not-to-exceed amounts for professional services in support of Engineering Services projects currently underway as well as projects scheduled to begin during the upcoming year. The total not-to-exceed amount of the Amendments is \$994,578.

The proposed amendments were also reduced to from 1-year to 6-month intervals with the intent to implement the HR changes and shift the reliance on contract staff. The contracts contemplate a 6-month basic period with up two staff renewable 6 month option periods. Below is a breakdown of the proposed continued contract services.

Contractor	# of Positions	Basic Contract Amendment
R H Shackelford	6	\$668,928
Freese & Nichols	2	187,200
Naismith Engineering	1	81,120
Linda Gurley	1	74,880
Specialized Services		
Vicki Marsden	1	43,680
Centerline ROW Serv.	1	77,350
Tom Niskala	1	48,620
TOTAL	13	\$994,578

The contract staff will continue to be 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. Specialized contract services will be transitioned to work as typical professional service contractors that have assigned scopes of work which are completed on a time and material basis.

ALTERNATIVES:

1. Authorize execution of the Professional Services Agreements.
2. Do not authorize execution of the Professional Services Agreements. (Not Recommended)

OTHER CONSIDERATIONS:

Staff will, during the term of these amendments, evaluate and amend current recruiting strategies in order to increase the success rate on filling department vacancies. The Engineering Services Department will continue to implement the recommendations internally and the operational assessment to improve department operations and overall efficiencies.

CONFORMITY TO CITY POLICY:

This conforms to city policy for procurement of professional services.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Engineering Services Department

FINANCIAL IMPACT:

X Operating Revenue X Capital Not applicable

Fiscal Year 2015-2016	Project to Date Budget and Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget		\$994,578		\$994,578
Encumbered / Expended Amount				
This item		\$994,578		\$994,578
Future Anticipated Expenditures This Project				
BALANCE		0.00		0.00

Fund(s): Street & Utility CIP and Engineering Services Operational

Comments: Contractor services will be charged to various projects in accordance with hours worked in support of each project.

RECOMMENDATION:

City staff recommends approval to execute the amendment to the PSAs for Engineering Services support.

LIST OF SUPPORTING DOCUMENTS:

- Presentation
- Professional Service Agreement (7)
- Form 1295 (7)