



## PUBLIC WORKS DEPARTMENT

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### CITY COUNCIL STAFF REPORT

Meeting: November 21, 2023

#### Subject

Approve master agreements with CSG Consultants, Inc. and 4Leaf, Inc., to provide construction management services on various Capital Improvement Program (CIP) projects.

#### Recommended Action

1. Authorize the City Manager to execute a master agreement with CSG Consultants, Inc. (CSG) in the amount not to exceed \$500,000 for a contract period of two years.
2. Authorize the City Manager to execute a master agreement with 4Leaf, Inc. (4Leaf) in the amount not to exceed \$500,000 for a contract period of two years.

#### Reasons for Recommendation

Public Works relies on consultant support to augment staff and provide construction management services on Capital Improvement Programs (CIP) projects when needed. Providing this support enables staff to deliver capital projects effectively and efficiently.

Master Agreements enhance transparency and accountability by identifying the full contract amount for a specified time period with any one vendor. It is typical to establish Master Agreements with multiple vendors providing similar services to allow for flexibility with respect to availability and specialized skills.

“A master service agreement (MSA) is a fundamental contract **outlining the scope of the relationship between two parties, including terms and conditions for current and future activities and responsibilities**. There is great value in using these arrangements, especially for entities with multiple agreements pertaining to the same client. MSAs are contracts that establish basic terms between vendors and clients at the beginning of a business relationship. **This initial agreement helps to speed up the negotiation process for future contracts** and facilitates the project management process, resulting in a more efficient and streamlined process. By establishing these basic terms upfront, subsequent contracts can be more easily negotiated and agreed upon, saving time and money for everyone involved. Due to their ability to simplify the contract

negotiation process, MSAs are a popular choice for businesses of all types.” (from Thomson Reuters Legal)

This master agreement establishes a menu of typical services that may be performed for the administration and management of construction contracts and defines a maximum authorized compensation. Funds are not encumbered by the master agreement. Instead, project-specific services are authorized on a project-by-project basis through the issuance of a service order, which complies with Public Contract Code and Cupertino Municipal Code. Funding for the services is budgeted and encumbered to each project. City Council approves each project budget, typically with the Capital Improvement Program.

In anticipating the on-going need for construction management services, the City issued a Request for Qualifications in July 2022. The Request for Qualifications selection process was conducted in accordance with the State of California and public contract codes. Fifteen Statements of Qualification (SOQ) were received from firms within the Bay Area, which were evaluated for relevant skills and experience. All 15 firms were deemed to be qualified to provide construction management services for different project types. Based on the submitted SOQs, areas of expertise for each consultant firm were determined to help identify which firms were best suited for upcoming projects.

It is important to note that the City has active agreements (Master Agreements and/or Stand-Alone Agreements) with 7 of 15 Construction Management firms. Additionally, we have reached out to 14 of the 15 firms for recent project Requests for Proposals. CSG is one of the firms that provides construction management services that align with upcoming project needs, and staff recommends that CSG be awarded a master agreement to manage construction activities for CIP projects. CSG has provided reliable construction management services for both public and private organizations and has worked with the City of Cupertino as Construction Managers on CIP projects since 2016. In addition, CSG was selected based on their staff and firm experience relevant to project types that are included in the CIP, depth and breadth of skills and resources, past performance, and demonstrated availability. CSG recently provided construction management services for the Stevens Creek Blvd Emergency Storm Drain Repair project. The existing master agreement with CSG (which is currently scheduled to expire on 12/31/2023) enabled the City to utilize CSG’s services quickly and efficiently to facilitate the expedited timing of this project.

The contractor 4Leaf is one of the firms that provides construction management services that align with upcoming project needs, and staff recommends award of a master agreement to 4Leaf to manage construction activities for CIP projects. 4Leaf has provided high quality construction management services for the City since 2021 and has extensive experience performing construction management services for several municipalities in the Bay Area. 4Leaf was selected based on experience relevant to project types that are included in the CIP, depth and breadth of skills and resources, past performance, and availability. The City will utilize 4-Leaf for construction management

services for McClellan Bikeways Phase 3 (intersection work at De Anza Blvd/McClellan Rd) as well as for Regnart Road Phase 1 improvements (which we anticipate beginning in Spring of 2024), as 4-Leaf provided responded to the City's request for proposal, and provided the lowest cost proposal for these services.

The approval of the master agreements with CSG and 4Leaf will allow staff to continue to utilize construction management resources on an as-needed basis to support the delivery of CIP projects.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact. No additional appropriation is required for this action. After a master agreement is executed, the requisite funds are encumbered from existing CIP project budgets.

California Environmental Quality Act (CEQA)

Not applicable.

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Prepared by: Susan Michael, Capital Improvement Programs Manager

Reviewed by: Chad Mosley, Director of Public Works

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - Draft Master Agreement CSG Consultants, Inc.

B - Draft Master Agreement 4Leaf, Inc.