



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**CONSENT**  
**July 28, 2009**

**Honorable Mayor and  
Members of the City Council**

**Title: Greyhound Terminal Building (B18420002) – Authorization to Use Design-Assist Project Delivery Method (Two-Thirds Vote Required)**

**Location/Council District:** 420 Richards Boulevard, Council District 1

**Recommendation:** Adopt a **Resolution:** 1) suspending competitive bidding in the best interest of the City for construction of the Greyhound Terminal Building; and 2) approve the Design Assist delivery method for this project.

**Contacts:** Kirk Thompson, Associate Architect, 808-8431; Gary Szydelko, Supervising Architect, 808-8335; Cynthia Kranc, Facilities Manager, 808-2258

**Presenter:** Not applicable

**Department:** General Services

**Division:** Facilities and Real Property Management

**Organization No:** 13001561

### **Description/Analysis**

**Issue:** Greyhound Lines, Inc. (Greyhound) is scheduled to move into the new Greyhound Terminal Building by April 1, 2012 when the lease at its current location (703 L Street) expires. There is also the possibility that relocation may need to occur sooner if the landlord at 703 L Street exercises its right to an early termination of the current lease. Therefore, time is of the essence in the completion of the new Greyhound Terminal Building. Using a traditional competitive bidding process could extend the project completion time beyond Greyhound's lease expiration date. This report recommends using the design-assist project delivery method for the Greyhound Terminal Building because it is a faster delivery method than the traditional design-bid-build process.

**Policy Considerations:** The recommendations in this report are consistent with:

- City Code Title 3, Chapter 3.60.170(D) by providing the City Council with an option to find, by a two-thirds vote, that suspending competitive bidding is in the best interests of the City;
- The City's Strategic Plan goal to achieve sustainability and livability, while improving and expanding services to the local community;
- The 2030 General Plan vision to link Sacramento to the region by an extensive, efficient and safe network of roadways, bridges, mass transit, bikeways, pedestrian trails, and sidewalks; and
- The Richards Boulevard Area Plan, the current community plan for the River District, which supports the development of transit improvements in the River District.

**Committee/Commission:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The Environmental Services Manager has determined the project, as proposed, will not have a significant impact to the environment; therefore, a Mitigated Negative Declaration was prepared. In compliance with Section 15070 of the California Environmental Quality Act Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures address biological resources and cultural resources. City Council adopted Resolution No. 2009-115 on February 24, 2009 approving the environmental documents.

**Sustainability Considerations:** Construction of the Greyhound Terminal Building is consistent with the Sustainability Master Plan goals to reduce the use of fossil fuels and engage in clean air practices by reducing idling times for buses because there will be less traffic congestion and more efficient access at the proposed location on Richards Blvd than the current location on L Street. Furthermore, the new facility will be more energy efficient than the downtown facility.

**Rationale for Recommendation:** Suspending competitive bidding is recommended in the best interests of the City to allow the use of the design-assist alternative project delivery method. This project delivery method has proven to be successful in delivering construction projects on schedule and within budget. The design-assist project delivery method is recommended for use in delivering the Greyhound Terminal Building project because it:

- Is a faster delivery method than the traditional design-bid-build method;

- Allows the contractor to work closely with the design team to determine the construction details and methods of construction, and complete the constructability reviews early in the process; and
- Provides a smoother construction environment and reduces the potential for change orders.

This process is consistent with the alternative delivery approaches recommended in the Smith-Culp Report, and adopted by City Council on December 2, 2003 (Resolution No. 2003-853).

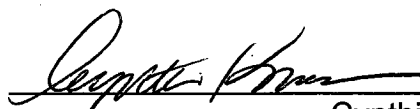
**Financial Considerations:** Suspending competitive bidding and authorizing the use of the design-assist alternative project delivery method do not require funding.

The Department of General Services has completed a competitive selection process for design services for the Greyhound Terminal Building, and is proceeding with a professional services agreement with Mogavero Notestine Associates under City Manager authority for initial architectural design services. This agreement will provide for project scoping and project cost verification. Sufficient funding exists in the General Fund (Fund 1001) in the project budget to award this agreement. Staff will return to City Council in the fall of 2009 with a recommendation to award the final professional services agreement for architectural design services.

Staff is proceeding with a competitive process to select a qualified contractor for this project. The chosen contractor will assist the architect in scoping and designing a constructable facility within the project budget. This scope of service will be performed under City Manager Authority. Upon determination of the final scope of work, staff will return to City Council in the fall with a recommendation to award the contract for construction with a Guaranteed Maximum Price.

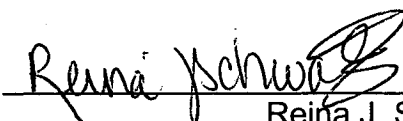
**Emerging Small Business Development:** Mogavero Notestine Associates is certified as an emerging/small business enterprise. The selection of future consultants and contractors for this project will follow City guidelines for inclusion of ESBD firms.

Respectfully Submitted by:



Cynthia Kranc  
Facilities Manager

Approved by:



Reira J. Schwartz  
Director, Department of General Services

Recommendation Approved:



*for*

Ray Kerridge  
City Manager

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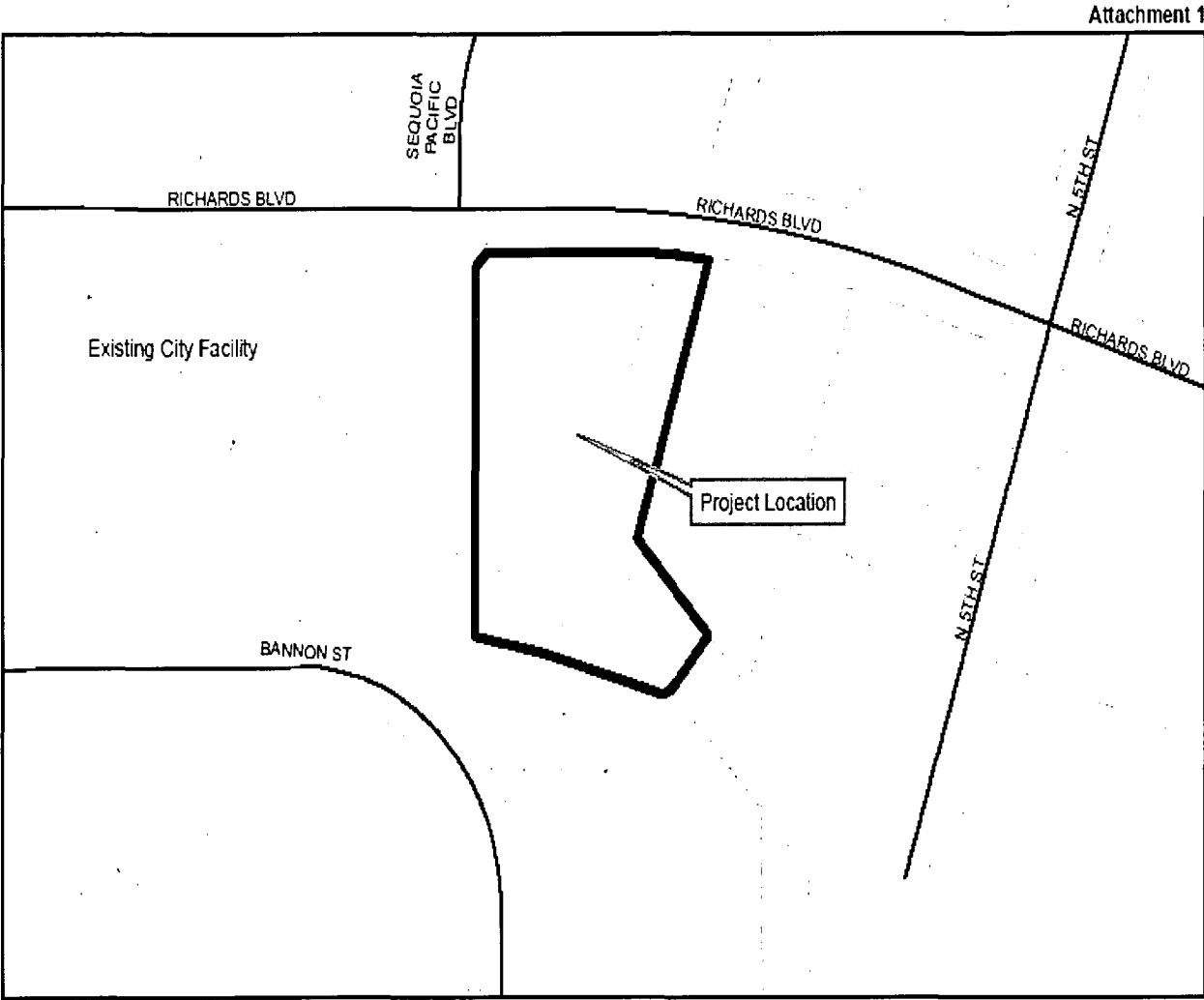
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## **BACKGROUND INFORMATION**

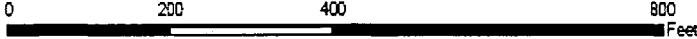
- On December 12, 2006, City Council adopted Resolution No. 2006-928 authorizing the purchase of 300 Richards Boulevard, which included several adjacent vacant parcels, including the 420 Richards Boulevard site. City staff approached Greyhound to determine if the Richards Boulevard site was feasible for its needs until the Sacramento Intermodal Transportation Facility is ready for occupancy. Greyhound's review determined that the site would adequately accommodate its operations.
- On May 20, 2008, City Council adopted Resolution No. 2008-318, committing \$2 million for required site work including grading, utilities, sidewalks, curbs and gutters and the extension of the driveway off of Richards Boulevard to Bannon Street. The balance of the necessary funds (\$4 million) will come from Sheraton Hotel sale proceeds earmarked for downtown redevelopment projects.
- On February 24, 2009, City Council adopted Resolution Nos. 2009-115 and 2009-116, approving the lease agreement with Greyhound and the Mitigation Monitoring Plan for the 420 Richards Boulevard site improvement.
- Work is anticipated to begin on site during summer 2010 with completion at the end of 2011.

Attachment 1

GREYHOUND TERMINAL BUILDING  
Project Location



Map Contact: D. Wilcox  
IT: Central GIS Unit



Proposed Greyhound Bus Terminal Location



Date: June, 2009

**RESOLUTION NO. 2009-XXXX**

Adopted by the Sacramento City Council

**July 28, 2009**

**SUSPENDING COMPETITIVE BIDDING AND AUTHORIZING THE DESIGN-ASSIST  
PROJECT DELIVERY METHOD FOR THE GREYHOUND TERMINAL BUILDING  
(TWO-THIRDS VOTE REQUIRED)  
(B18420002)**

**BACKGROUND**

- A. On December 12, 2006, City Council adopted Resolution No. 2006-928 authorizing the purchase of 300 Richards Boulevard, which included several adjacent vacant parcels, including the 420 Richards Boulevard site. City staff approached Greyhound Lines, Inc. (Greyhound) to determine if the Richards Boulevard site was feasible for its needs until the Sacramento Intermodal Transportation Facility is ready for occupancy. Greyhound's review determined that the site would adequately accommodate its operations.
  
- B. Chapter 3.60.170 of the City Code allows the City Council to suspend competitive bidding when it finds, by a two-thirds vote, that suspension is in the best interests of the City. Suspending competitive bidding is recommended in the best interests of the City to allow the use of the design-assist alternative project delivery method. This project delivery method has proven to be successful in delivering construction projects on schedule and within budget.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. It is in the best interest of the City to suspend competitive bidding, and competitive bidding is hereby suspended for construction of the Greyhound Terminal Building.
  
- Section 2. The Design Assist method of delivery is approved for this project.