



Administrative Report

N.3., File # 25-1615

Meeting Date: 12/2/2025

To: MAYOR AND CITY COUNCIL
From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING MEASURE FP IMPLEMENTATION, INCLUDING SELECTION OF THE PROJECT DELIVERY METHOD, AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES WITH GRIFFIN STRUCTURES, INC., AND THE NEXT STEPS REQUIRED TO ADVANCE THE PROJECT TO THE PRECONSTRUCTION PHASE

APPROVE A REQUEST FOR QUALIFICATIONS/PROPOSALS FOR PROGRESSIVE DESIGN BUILD SERVICES TO RECONSTRUCT FIRE STATIONS 1 AND 2 AS PART OF MEASURE FP IMPLEMENTATION

APPROVE A REQUEST FOR QUALIFICATIONS/PROPOSALS FOR PROGRESSIVE DESIGN BUILD SERVICES TO REBUILD THE POLICE DEPARTMENT HEADQUARTERS AND RENOVATE THE POLICE ANNEX FACILITY AS PART OF MEASURE FP IMPLEMENTATION

EXECUTIVE SUMMARY

On November 5, 2024, Redondo Beach voters approved Measure FP, authorizing the City to issue up to \$93,350,000 in general obligation (GO) bonds to fund the replacement and rehabilitation of the City's Police and Fire facilities. The results of the election were certified on December 10, 2024, with 71.41% of residents voting in favor of the ballot measure.

On July 15, 2025, the City Council approved an Agreement for Project Services with Griffin Structures, Inc. (Griffin) to serve as the City's owner's representative and program manager for the Strategic Planning Phase of the Measure FP (Project) implementation. Since that time, Griffin has provided professional services and subject matter expertise to advance the Project through the Strategic Planning Phase and prepare the City for the next phases of the Project.

Based on the research, analysis and initial design concepts contemplated during the Strategic Planning Phase, the City's Project team is recommending progressive design-build (PDB) as the preferred project delivery method and procurement approach for the Project and seeking Council's approval to release separate requests for qualifications/proposals (RFQ/P) for the Fire and Police Department portions of the Project. Staff is also seeking Council review of the proposed temporary facility locations, bond issuance timeline, and creation of the Measure FP Bond Oversight Committee.

BACKGROUND

Over the past four months, the Project team, consisting of representatives from the Community Development, Financial Services, Fire, Information Technology, Police, and Public Works Departments, in coordination with Griffin, have established a structured framework for defining the overarching Project vision, program goals, and key objectives for the operational continuity of the City's public safety facilities as they are rebuilt and renovated. The Strategic Planning Phase has advanced on schedule and within the funding set aside by Council as part of the FY 2025-26 Budget Adoption process.

As part of strategic planning, the City Project team researched and evaluated various implementation strategies to rebuild and renovate Fire Stations No. 1, Fire Stations No. 2 and the Police Headquarters and Annex Facility within the limits of the GO bond funding approved by Redondo Beach voters. Implementing all of these Project components will require a coordinated approach reliant upon a disciplined and collaborative project delivery method that ensures the needs of the City's public safety Departments are satisfied within the established Project parameters.

After weighing possible options, the Project team is recommending PDB as the most suitable delivery method for Measure FP implementation. PDB has been utilized in other institutional settings for a number of years, but was only approved for use by cities through Senate Bill (SB) 991 in 2022, with expansions of applicable project types through SB 706 in 2023, and SB 706 in 2024. Under California Public Contract Code, Division 2, Part 3, Chapter 4.1 - Local Agency Progressive Design-Build Contracting, cities now have broad authority to utilize PDB based on best value proposals rather than strictly low-bid awards.

The PDB model provides for design and construction services under one contract with a single source of project responsibility. Unlike the traditional design-build delivery model, the owner defers finalizing price, schedule, and performance commitments until after the design-build team has been selected and is under contract, with design and project risks having been sufficiently defined.

This specialized delivery framework enables the City as the Project owner to collaborate with the design consultants and the general contractor(s) at the outset in order to refine the project design, move it forward toward a final scope and schedule, and better mitigate known risks. This methodology can also reduce overall project costs by reducing the project delivery timeline and establishing a guaranteed maximum price (GMP) that is more refined as a result of early collaboration and focused responsibility among project stakeholders, as detailed below:

PDB VS. OTHER DELIVERY METHODS

PROGRESSIVE DESIGN-BUILD (PDB)



DESIGN-BUILD (DB)



CMGC/CMAR



DESIGN-BID-BUILD (DBB)



Given the nature of this highly complex project, the PDB method would allow the City to more actively participate in the design process and tailor each of the respective Department's operational and programmatic needs to the existing budget based on the following, proposed timeline.

Project Phases	Components, Milestones and Deliverables	Estimated Dates
PDB Team Procurement	- Issuance of two (2) RFQ/Ps. - Evaluation of proposals received, shortlist and in-person interviews and/or presentations as necessary. - Select recommended PDB firm(s) and negotiate scope of work for City Council consideration. - Primary driver for selection is not price competition but rather based on the best value the contractor(s) can provide relative to technical expertise, past performance, key trade partners, innovative solutions and key team members or personnel.	Proposals due by January 29, 2026 Evaluation of proposals: February - March 2026
Notice to Proceed for Phase 1	- City Council to consider award of contract(s) to the selected PDB firm(s) and issuance of a Notice to Proceed (NTP) with Phase 1 services.	April 2026

Phase 1: Basis of Design / Pre-Construction	- Design-Builder(s) shall work with the City and any additional consultants to create and validate the Project's basis of design based on budget, schedule, operability, life cycle, and other factors. - Design-Builder(s) shall perform such services to the level of completion required for the Design-Builder and the City to establish the contract price for Phase 2 and this shall be developed on an "open-book" basis. - This scope of work will also involve the execution of early work packages for preliminary engineering analysis and associated investigations, due diligence and site surveys/testing, conceptual development and schematic design as GMP negotiations occur at predetermined points or intervals in the process. - Once the design(s) have been appropriately defined pertaining to the City's needs and expectations, the Design-Builder(s) will offer a formal proposal, including a lump sum or overall price and contract terms for the Project delivery agreement, in order to proceed to the next phase of services. - If for any reason the parties cannot reach an agreement on such commercial terms, then the City may exercise the right to "off-ramp", where it can take the design and move forward with the project through a design-bid-build procurement, with another design-builder, or any other method it deems appropriate.	Program Verification: April - May 2026 Due Diligence / Site Survey, and Conceptual Development: May - June 2026 Schematic Design: July - August 2026 Design Development: Sept. - Nov. 2026 GMP Dev. / Negotiation: Nov. 2026 - Jan. 2027
Approvals and Construction of Temporary Facilities	- Separate procurement process for buying and/or leasing the temporary modular facilities by the City. - Permitting/approvals of such temporary facilities and associated site work, as outlined further in this report, will be sought from the Planning Commission and the City Council so that construction and relocation can begin.	Phase 1: April - Sept. 2026 Phase 2: Sept. 2026 - Jan. 2027
Notice to Proceed for Phase 2	- City Council to consider authorization of the Phase 2 contract and issuance of a Notice to Proceed (NTP) with Phase 2 services.	February 2027
Phase 2: Final Design / Construction	- Services shall consist of the completion of design services, procurement of all materials and equipment, performance of construction services, the start-up, testing, and commissioning, and provision of warranty services, all as agreed to in the Phase 2 Contract Price Amendment. - The parties can enter into separate contracts for each phase of work or maintain a single contract that covers all aspects of this final stage.	Fire Dept: Feb. 2027 - Summer 2028 Police Dept: April 2027 - Summer 2029

The provision of cost effective, temporary facilities for the Police and Fire Department is a key element to the successful execution of this Project, and the City's Project team took care in

identifying potential sites and researching their feasibility to host temporary facilities. Key factors included parcel ownership, site layout, drive-through capabilities, projected impact on response times, required site-work, and overall cost to erect temporary facilities.

Both Fire Stations will be replaced on their existing parcels. As such, it was critical to identify temporary sites that are close to the existing stations to ensure the City's current deployment model and response times could be reasonably replicated.

The temporary fire stations are expected to consist of two double-wide modular trailers and one or two temporary apparatus bays at the following locations, and City staff are continually investigating approaches to alleviate impacts to City operations and the surrounding areas that may arise during their use.

Fire Station No. 1: City Hall staff parking lot - corner of N. Broadway and Carnelian St.

Likely displacement of 50 parking spaces currently allotted to staff and City vehicles that would be absorbed through use of the Library parking structure.

Fire Station No. 2: City-owned lot - corner of Inglewood and Grant Avenues

Site work will be necessary for utility hookups, curb cuts for vehicle access, and grading for installation of the temporary facilities.

The plan for temporary provision of Police facilities will evolve depending on the final siting of the new Police Headquarters facility. If this can be built on an adjacent portion of the Civic Center complex as planned, the Police Department would be able to utilize some portion of the current facility during construction. The Police Annex parking lot or the City Hall staff parking lot are potential options for temporary Police swing space. Utilization of City owned properties to accommodate the temporary facilities, rather than the leasing of private space, is expected to save a minimum of \$100,000 to \$200,000 per site.

Successful delivery of this Project utilizing the PDB framework will require substantial owner involvement and expertise from the City's Owner's Representative. Griffin has provided value and maintained an accurate schedule through the Strategic Planning Phase and has a track record of delivering successful PDB projects for other public agencies. As such, the Project team is recommending Griffin's contract be amended to include additional scope and funding for the Pre-Construction Phase of the Project. This would enable Griffin to advise on the legal complexities, procurement provisions, and phasing nuances inherent to PDB delivery. With Council direction, staff expects to return to Council for consideration of an amended agreement later this month.

Looking ahead to the release of the GO bonds, the financing process is expected to take 23 weeks to execute. Staff is evaluating timing for bond issuance that would first allow the City to issue its Annual Comprehensive Financial Report (for the Year Ended June 30, 2024) and complete the Fiscal Year 2026-27 Budget cycle. If the City were to start the clock on developing an initial financing plan in March or April of 2026, closing documents could be executed by mid-September 2026.

Once the timeline for issuance is established, the City will "appoint a citizens' oversight committee to ensure that bond proceeds are expended only for the purposes described in the measure approved by the voters" (Ordinance No. 327-24, Section 12(viii)). Staff will return to Council with a resolution to establish the composition and mandate of the Measure FP Bond Oversight Committee. This

temporary body will have a limited scope centered on the review of expenditures made utilizing Measure FP Bond proceeds and provide some level of annual reporting. The Committee will not advise on strategic decision-making or design of the Project.

At this time, staff is requesting Council direction regarding utilizing PDB as the preferred project delivery method as well as approval of the attached RFQ/Ps related to securing a firm, or firms, to provide PDB services for the City to reconstruct Fire Station 1 and Fire Station 2, and also rebuild Police Department Headquarters and renovate the Police Annex Facility. This item also provides the opportunity for Council to discuss the proposed location for temporary Fire Department facilities, a contract amendment with Griffin, along with the expected bond issuance timetable and creation of the Measure FP Bond Oversight Committee.

COORDINATION

This item was coordinated by the City Manager's Office with the City Treasurer's Office and the Community Development, Financial Services, Fire, Police, and Public Works Departments.

FISCAL IMPACT

Preparation of the report and strategic planning efforts are included in the Adopted FY 2025-26 Operating Budgets for the Departments participating in Measure FP Implementation.

As part of the FY 2025-26 Budget adoption process, Council approved \$422,800 in "Measure FP up-front spending" prior to bond issuance, and Council also approved a Reimbursement Resolution on March 18, 2025, which will allow the City to reimburse eligible project expenses incurred prior to the City's bond issuance through future bond proceeds.

Funds necessary to bridge project management work between now and bond issuance will be evaluated as part of the FY 2025-26 mid-year Budget review process and the FY 2026-27 Budget adoption process. All future agreements required to implement Measure FP will be presented to Council for consideration.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Appendix A - Strategic Planning Phase Tasks Completed and Progress Matrix
- Draft RFQ/P: Progressive Design-Build (PDB) Services for the City's Bond Measure (FP) Project to Reconstruct Fire Stations 1 & 2
- Draft RFQ/P: Progressive Design-Build (PDB) Services for the City's Bond Measure (FP) Project to Rebuild the Police Department Headquarters and Renovate the Police Annex Facility
- Sample Design-Build Institute of American (DBIA) Contract Doc. No. 544: Progressive Design-Build Agreement
- Sample Design-Build Institute of America (DBIA) Contract Doc. No. 535: Standard Form of General Conditions of Contract Between Owner and Design-Builder