

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA 92701**

**BUILDING COMMITTEE MEETING
Friday, May 31, 2024
12:00 P.M.**

AMENDED

MEMBERS OF THE COMMITTEE

Wayne Lindholm, Chair
Chris Prevatt, Vice Chair
Arthur Hidalgo
Jeremy Vallone

Members of the public who wish to observe and/or participate in the meeting may do so (1) from the OCERS Boardroom or (2) via the Zoom app or telephone (information below) from any location.

OCERS Zoom Video/Teleconference Information	
<p>Join Using Zoom App (Video & Audio)</p> <p>https://ocers.zoom.us/j/86973065718</p> <p>Meeting ID: 869 7306 5718 Passcode: 381903</p> <p>Go to https://www.zoom.us/download to download Zoom app before meeting. Go to https://zoom.us to connect online using any browser.</p>	<p>Join by Telephone (Audio Only)</p> <p>Dial by your location</p> <ul style="list-style-type: none"> +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York) <p>Meeting ID: 869 7306 5718 Passcode: 381903</p>
<p>A Zoom Meeting Participant Guide is available on OCERS' website Board & Committee Meetings Page.</p>	

AGENDA

This agenda contains a brief general description of each item to be considered. The Committee may take action on any item listed on this agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Committee may consider matters included on the agenda in any order, and not necessarily in the order listed.

OPEN SESSION

- 1. CALL MEETING TO ORDER AND ROLL CALL**
- 2. BOARD MEMBER STATEMENT REGARDING PARTICIPATION VIA ZOOM (IF NECESSARY)
(Government Code section 54953(f))**
- 3. PUBLIC COMMENTS**

Members of the public who wish to provide comment during the meeting may do so by "raising your hand" in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad. Members of the public

who participate in the meeting from the OCERS Boardroom and who wish to provide comment during the meeting may do so from the podium located in the OCERS Boardroom. When addressing the Committee, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Committee; and (2) any matter appearing on the Consent Agenda.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Committee member requests separate action on a specific item.

C-1 BUILDING COMMITTEE MEETING MINUTES

Building Committee Meeting Minutes

April 15, 2024

Recommendation: Approve minutes.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Committee’s discussion of the item. **Persons attending the meeting in person and wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the Boardroom and deposit it in the Recording Secretary’s box located near the back counter.**

A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

A-2 OCERS REPLACEMENT HEADQUARTERS PROJECT – DESIGN BUILD ENTITY SELECTION

Recommendation: Recommend that the Board approve executing a contract with Snyder Langston-Gensler as the Design/Build Entity (DBE) for the OCERS Replacement Headquarters Project (Project) with a fixed fee for comprehensive predevelopment services of \$1,861,506. The contract calls for the issuance of a Guaranteed Maximum Price for the Project as then proposed by the DBE for subsequent Board approval at the end of Predevelopment.

INFORMATION ITEMS

Each of the following informational items will be presented to the Committee for discussion.

NONE

COMMITTEE MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

ADJOURNMENT

NOTICE OF NEXT MEETINGS

AUDIT COMMITTEE MEETING

June 6, 2024

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

DISABILITY COMMITTEE MEETING

June 17, 2024

8:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

June 17, 2024

9:30 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

AVAILABILITY OF AGENDA MATERIALS - Documents and other materials that are non-exempt public records distributed to all or a majority of the members of the OCERS Board or Committee of the Board in connection with a matter subject to discussion or consideration at an open meeting of the Board or Committee of the Board are available at the OCERS' website: <https://www.ocers.org/board-committee-meetings>. If such materials are distributed to members of the Board or Committee of the Board less than 72 hours prior to the meeting, they will be made available on the OCERS' website at the same time as they are distributed to the Board or Committee members. Non-exempt materials distributed during an open meeting of the Board or Committee of the Board will be made available on the OCERS' website as soon as practicable and will be available promptly upon request.

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at adminsupport@ocers.org or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours' notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF RETIREMENT
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA**

**BUILDING COMMITTEE MEETING
Monday, April 15, 2024
8:30 A.M.**

MINUTES

Chair Lindholm called the meeting to order at 8:40 A.M.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present: Wayne Lindholm, Chair; Chris Prevatt, Vice Chair; Arthur Hidalgo, Board Member; Jeremy Vallone, Board Member

Also Present: Steve Delaney, CEO; Brenda Shott, Assistant CEO, Finance and Internal Operations; Manuel Serpa, General Counsel; Fong Tse, Sr. Manager of Facilities and Operations Support Services; Anthony Beltran, Audio Visual Technician; Amanda Evenson, Recording Secretary; Adele Tagaloa, Board Chair; Richard Oates, Board Member; Charles Packard, Board Vice Chair; Roger Torriero (Zoom), Griffin Structures; Deryl Robinson (Zoom), Griffin Structures

PUBLIC COMMENT

None.

CONSENT AGENDA

C-1 COMMITTEE MEETING MINUTES:

Building Committee Meeting Minutes April 4, 2024

Recommendation: Approve minutes.

A **Motion** by Mr. Prevatt, **seconded** by Mr. Vallone, to approve the minutes.

The motion passed **unanimously**.

ACTION ITEMS

A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

Orange County Employees Retirement System
April 15, 2024
Building Committee Meeting – Minutes

No items were trailed from the Consent Agenda.

A-2 OCERS REPLACEMENT HEADQUARTERS PROJECT – INTERVIEW OF RESPONDENTS TO DESIGN BUILD ENTITY RFP AND SELECTION OF DESIGN BUILD ENTITY

Recommendation:

1. Direct staff to negotiate with the highest rated firm: Snyder Langston-Gensler, to serve as Design/Build entity (DBE) for the OCERS Replacement Headquarters Project and recommend that the Board award a contract for the scope of services as outlined in the Designer/Builder for OCERS Replacement Headquarters Project RFP, subject to satisfactory negotiation of terms.
2. If negotiation of terms is not satisfactorily met with Snyder Langston-Gensler within thirty days (unless staff deems more time is reasonable and that additional time will end in satisfactory terms), then direct staff to begin negotiations with the second highest rated firm: CW Driver-Ware Malcomb, to serve as Design/Build Entity (DBE) for the OCERS Replacement Headquarters Project and recommend that the Board award a contract for the scope of services as outlined in the Designer/Builder for OCERS Replacement Headquarters Project RFP, subject to satisfactory negotiation of terms.
3. If negotiation of terms is not satisfactorily met with the first or second ranked firm, direct staff to continue the same process as outlined above with the third then fourth firms as appropriate.

After discussion, a **Motion** by Mr. Prevatt, **seconded** by Mr. Hidalgo, to approve the staff recommendation.

The motion passed **unanimously**.

STAFF COMMENTS
CEO COMMENTS
COUNSEL COMMENTS
COMMITTEE MEMBER COMMENTS
None.

The meeting **ADJOURNED** at 8:59 A.M.

Submitted by:

Submitted by:

Approved by:

Brenda Shott
Staff Liaison to the Committee

Steve Delaney
Secretary to the Committee

Wayne Lindholm
Chair



Memorandum

DATE: May 31, 2024
TO: Members of the Building Committee
FROM: Brenda Shott, Assistant CEO, Finance and Internal Operations
SUBJECT: OCERS REPLACEMENT HEADQUARTERS PROJECT – DESIGN BUILD ENTITY SELECTION

Recommendation

1. Recommend that the Board approve executing a contract with Snyder Langston-Gensler as the Design/Build Entity (DBE) for the OCERS Replacement Headquarters Project (Project) with a fixed fee for comprehensive predevelopment services of \$1,861,506. The contract calls for the issuance of a Guaranteed Maximum Price for the Project as then proposed by the DBE for subsequent Board approval at the end of Predevelopment.

Background/Discussion

The Building Committee (Committee) at its April 4, 2024, meeting met and interviewed the four (4) highest-qualified teams that were invited to participate in OCERS Request for Proposal (RFP) process. They were, in alphabetical order by the Builder's name:

- Bernards – HOK,
- CW Driver-Ware Malcomb,
- Snyder Langston – Gensler
- Swinerton – LPA.

These teams are well known and respected within the Southern California vertical design and construction communities. Each team was allotted forty minutes for a presentation and an additional twenty minutes for a question-and-answer period to further elaborate and supplement their ideas and project approach presented in their written proposals.

At the conclusion of the interviews, the Committee, and the OCERS Project Team, deliberated on each DBE team's strengths and weaknesses as well as how closely their visions meet OCERS' needs. It was also generally agreed that the presentations and the question-answer discussions provided additional pertinent information that were absent from the submitted written proposals. As such, the Committee directed the staff review panel comprised of Steve Delaney, CEO, Brenda Shott, Assistant CEO and Fong Tse, Senior Manager Operations Support Services to score each team on all information received (written proposals, presentation, Q&A) in accordance with the scoring criteria set forth in the Request For Proposals and return to the Committee on a later date with the rankings and recommendation.

Accordingly, staff returned to the Committee on April 15, 2024, with the below composite scores that are the summation of the points from each review panelist.

RFP Scoring Category	Max Points	DBE TEAM			
		Bernards – HOK	CW Driver – Ware Malcomb	Snyder Langston– Gensler	Swinerton – LPA
Project Team Organization and Key Personnel	75	50	62	72	51
Project Requirements/Enhancements	30	26	30	30	26
Approach to the Work	135	98	102	122	87
Quality Control / Management Plan	30	26	28	29	27
Design & Construction Schedule	30	28	30	29	30
Proposed Compensation Fees	150	112	134	121	131
Maximum Total Possible	450				
	Total	340	386	403	352
	Ranking	4 th	2 nd	1 st	3 rd

Staff shared with the Committee that while all teams can design and construct an office building that will meet today’s daily needs, the Snyder Langston – Gensler team (SL-G) offers more modern environments that resonate to the next generation of workers that employers such as us must compete to recruit and retain. Our ability to attract and keep quality employees in the future, will affect our ability to continue to provide superior service in the years to come.

The SL-G team was well represented at the in-person interviews with the Senior Executives and key team members including the day-to-day contact of both Snyder Langston and Gensler being present and actively engaged. Snyder Langston is a construction company that believes they have added value to their clients by providing design-build services for over 100 projects. They have extensive experience in construction projects specifically throughout Orange County since 1959 with a strong history on government projects. Snyder-Langston shared that they are a proven trusted partner evidenced by repeat clients representing 75% of their revenue. Gensler is a global architecture, design, and planning firm with a local office in Newport Beach. Gensler is well known in the industry for their high quality and forward-thinking design for innovative workplaces and headquarters. The two firms have a successful past together as they have partnered on several projects including the Hyundai Motor America North American Headquarters, Masimo Headquarters and The Boardwalk projects, all located in Orange County.

The Committee approved staff’s recommendation to negotiate with SL-G for a Design Build agreement with acceptable contract terms and costs. The Committee set the negotiation period to thirty days. The Committee further directed staff to begin negotiation with the next team if satisfactory conclusion could not be reached with SL-G.

The OCERS Project Team along with Legal Counsel that prepared the RFP and the included draft contract immediately focused on responding to the draft contract questions posted by SL-G during the RFP period. The revised draft contract was provided to SL-G on April 29, 2024, effectively starting the 30-day negotiation period with an end of negotiation deadline of May 29, 2024.

A series of correspondences as well as virtual and in-person meetings were held during the course of the negotiations. The cooperative and bilateral negotiations toward a common goal resulted in some manageable compromises that ended with a proposed agreement that supports a productive project partnership moving forward. One of the notable areas that needed to be addressed as we entered negotiations were the design fees that were originally proposed by SL-G. After sharing our concerns with SL-G, they responded with notable

concessions on both the predevelopment fixed fee and development fee (bid as a percentage of actual construction direct costs). Staff requested a second round of price concessions and was satisfied with the further reductions on price that were made, which are included below. Staff hereby reports to the Committee that tentative agreement has been reached between OCERS staff and SL-G before the May 29, 2024, negotiation deadline on the OCERS Replacement Headquarters Project Predevelopment Services contract terms and fees.

Under the proposed contract terms, SL-G is allotted 450 calendar days to gather and analyze all available ideas and options to develop and finalize one (1) set of project design-development level plans complete with all necessary details required for preliminary city reviews; process and secure City of Santa Ana Approval-In-Concept; pursue the possibility of securing administrative approval(s) for the option of a 3-story replacement building entirely within the Tustin property parcel; coordinate with Verizon Wireless on their cellular communications tower relocation work by Verizon’s consultants and contractors independently of our project; and to prepare all other additional necessary investigative engineering studies and designs and be responsible for all designers/contractors coordination and constructability reviews in substantial details as necessary to formulate an all-inclusive not-to-exceed Guaranteed Maximum Price (GMP) proposal for the Development Phase of the project which would take us through final construction and occupancy of the new building. The GMP for the Project as proposed by the DBE will be subsequently presented to the Building Committee and the Board for approval at the end of the Predevelopment Phase.

In case of unexcused tardy completion, OCERS, at its option, could assess liquidated damages in the amount of \$2,000 for each calendar day beyond the 450 calendar days allotment.

The negotiated draft contract in substantial final form is attached.

Below is a tabulation of SL-G’s originally proposed and the reduced negotiated fees for this Predevelopment Services contract.

Item Description	Original Fees	Reduced Fees	Reduction Amount
Pre-Development Design	\$2,245,537	\$1,505,500	\$740,037
Pre-Development GC	\$356,006	\$356,006	\$0
Total Pre-Development Fee	\$2,601,543	\$1,861,506	\$740,037
Design Fee for Development Phase as % of Construction Cost	4.61%	3.72%	0.89%
Subcontractor Default Insurance as % of Direct Trade Cost	1.25%	1.25%	0.00%
General Liability Insurance as % of Direct Trade Cost	1.37%	1.37%	0.00%
GC Payment and Performance Bonds as % of Construction Cost	0.60%	0.60%	0.00%
General Contractor Fees/Overhead Based on Est. Construction Cost	3.85%	3.85%	0.00%

The OCERS Team worked diligently with SL-G to identify mutually agreeable solutions to reduce costs and at the same time maintain the same scope of work breadth and depth contained in the RFP. A comparison of SL-G revised cost proposal to the other firm’s cost proposals is attached. Staff feels that the reduced fee of \$1,861,506 is reasonable for the required Predevelopment Services work and therefore recommends the Committee to recommend to the Board of Retirement approval to execute the contract at its next regular meeting.

Submitted by:



Brenda Shott, CPA
Assistant CEO, Finance and Internal Operations

Attachments

1. Cost Proposals Summary
2. Draft Contract