



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Text

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**File #:** MO 21-130, **Version:** 1

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**Administration -** *Todd Miller, Deputy Fire Marshal*

### **Title**

### **Award Facilities Management and Capital Planning Services Contract**

### **Executive Summary**

In an effort to maximize value and effectiveness, the City published a request for proposal for facility management and capital planning services. Three companies responded and one was chosen based upon prior experience, understanding of the scope of the contract, completeness of proposal, and price.

### **Background**

McGough Companies has served as the City's facility management and maintenance services provider for City Hall since the facility opened in 2002. Following a Request for Proposals (RFP) process, the Public Works facility was added to the McGough contract in 2008 once the expansion of the PW facility was completed. Following the city's guideline to periodically obtain proposals for major services, an RFP process was initiated in June of this year for facilities management and capital planning services.

A team consisting of Deputy Fire Marshal Todd Miller, Accountant Dalton Larson, Asset Management Coordinator Shawn Smith, and Fire Marshal Bob Fiske solicited Proposals for Facility Management and Capital Planning services. In addition to the basic scope of the contract for facilities management, the City requested that firms include in their proposal a facilities audit. The audit would provide a comprehensive inventory of all facility capital and equipment as well as a capital replacement schedule and an ongoing preventative maintenance plan.

The buildings included under the scope of the contract are:

- City Hall
- Public Works
- Mary Ann Young Center
- Cold storage building
- Police training building
- Old Fire Station #5

### **Scope of Services**

The proposed contract is intended to establish a partnership between the City and the selected proposer to provide ongoing facility management for the above referenced facilities. The scope of the services requested are pursuant to the City's purchasing policy (requiring the collection of quotes, bids, or proposals when necessary). Services requested under the contract include on-site services such as electrical, carpentry, plumbing, and lighting maintenance as well as maintenance of all

mechanical infrastructure, chillers, boilers, air handlers, emergency generators, fire suppression systems, HVAC control systems, and other systems as identified in the facilities audit.

### **Proposal Submittal**

As a part of the submittal process, the City required prospective proposers to attend a pre-proposal meeting to provide opportunities to review the scope of the contract and answer proposer questions. Following the pre-proposal meeting the team provided a walkthrough of City facilities.

Four companies initially responded and attended the tours of the facilities. Those companies were:

- McGough Companies
- Kraus-Anderson
- SiteLogIQ
- Gaughan Companies

Of these four companies, three submitted proposals: McGough Companies, Gaughan Companies, and Kraus-Anderson.

### **Methodology - RFP Review and Selection:**

The City employed the following selection criteria/weighting:

Completeness of Proposal/Quality of Proposal:	15%
Pricing/Cost Effectiveness:	15%
Similar Projects/Customer references:	20%
Qualifications and Experience of Designated/Assigned Staff:	25%
Demonstrated Understanding of scope & suggested approach:	25%

All three proposals received were considered equal in their completeness and knowledge of the scope of work. Each company had comparable references. The proposals were split into two categories: Hands-on facility management and Facility Management Oversight (hands-off). Listed below are brief summaries of each proposal with their pricing:

### **Facility Management Oversight Proposals:**

- Kraus-Anderson - A hands-off, facility management oversight proposal rather than the hands-on management for maintenance. Greatest focus on long-term capital planning and proactive facility management. A sample facility audit was provided that showed a comprehensive analysis with thorough capital planning schedules.
  - Monthly cost: \$1,750.00
  - Facility audit cost: \$19,600.00 (one-time cost)
- Gaughan Companies (Gold Plan) - Similar in scope to Kraus-Anderson, less hands-on facility management. No sample facility audit was provided.
  - Monthly cost: \$1,100.00
  - Facility audit cost: \$5,000.00 (one-time cost)

### **Hands-on facility management service contract**

- McGough Companies - Identical to the previous contract with the city, hands-on facility management providing day-to-day on-site staff for repairs and preventative maintenance. No

sample facility audit was provided.

- Monthly cost: \$5,150.00
- Facility audit cost: INCLUDED

- Gaughan Companies (Platinum Plan)\* - Very similar to the McGough proposal, providing identical services, inspection schedules, preventative maintenance services, and on-site staff.

No sample facility audit was provided.

- Monthly cost: \$3,560.00
- Facility audit cost: INCLUDED

Staff recommendation is to accept the Gaughan Companies' Platinum Plan proposal. Details regarding the recommendation can be found in the Staff Recommendation section below.

### **Strategic Plan Relationship**

Financial Sustainability - Periodically, the City publishes requests for proposal to ensure we are receiving the best services at the best value.

Well-Maintained Infrastructure - The contract will ensure that the City maintains a comprehensive repair, maintenance, and replacement schedule for all city facilities.

### **Board/Commission Review**

Not required.

### **Financial Impact**

The new contract would result in an operational savings for the City without reducing the level of service of the prior contract. The annual savings is estimated to be \$17,000 (\$1,400/month).

### **Public Outreach/Input**

The City underwent a public request for proposal process that involved direct solicitations to interested parties and publication to the City's website and League of MN Cities website.

### **Staff Recommendation**

Approve the contract for Facility Management and Capital Planning services with Gaughan Companies (Platinum Plan).

Between the two categories of proposals, staff is recommending the hands-on facility management service contract. Currently, the City does not have adequate internal staff needed to handle the majority of the inspections, preventative maintenance, and repairs that would be needed under the "hands-off" approach.

As such, the team is recommending acceptance of the **Gaughan Companies Platinum Plan\*** proposal. Gaughan Companies has comparable experience, references, and staffing compared to the previous contractor, McGough Companies. Staff conducted a follow up interview with the assigned Contract Manager and were able to ensure Gaughan would be able to provide the services needed for all City facilities included in this contract.

Gaughan Companies would be providing more service hours to the City at a lower monthly price

point. Compared to McGough's approximately 20-40 hours/month, Gaughan will be providing 20 hours per month for routine inspections, analysis, and capital planning for the included facilities. Additionally, Gaughan would provide 60 hours/quarter to for preventative maintenance/repairs included under the scope of services. The savings over the previous contract is approximately \$1,590/month or \$19,080 annually.

The City is requesting an initial contract term of **three-years** with the start date of the contract of **October 1<sup>st</sup>, 2021**. The proposed contract is flexible to fit the city's changing needs. Under the terms of the proposed contract, adjustments to the scope of services could be adjusted through the duration of the contract and the City would hold the right to terminate the contract at any time upon 30-day written notice.

**Attachment List**

*Gaughan Companies - Platinum Plan*