

TOWN COUNCIL STAFF REPORT

Title: Award design-build contract for the 60 Joaquin housing project.

Meeting Date: April 6, 2022

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RECOMMENDATION:

Staff recommends Town Council:

- Award the design-build contract to MMI Consulting LLC for a guaranteed maximum price (GMP) of \$2,420,000.
- Authorize the Public Works Director to execute the contract and accept the project upon completion.

BACKGROUND:

The Town's Housing Now! Initiative incorporates several programs directed at providing community, workforce housing. One program included the purchase of land to construct for sale rental units. On July 29, 2021, the Town of Mammoth Lakes took possession of the 60 Joaquin Parcel. The Town purchased the property with the intent of developing additional affordable housing units. The 9,148 SF parcel is zoned RMF-1 and with density bonuses can accommodate four (4) units. The development plan focused on creating for sale units targeting moderate income families or what is often referred to as "missing middle" income households. At this time staff is looking at income limits up to 120% of Area Median Income (AMI) but will be reviewing options to increase the limit to 150% AMI. This program supplements the "Bridge" program where the Town is purchasing existing housing units and selling them at a reduced price with a focus on households with incomes up to the 120% AMI level.

Staff endeavored to create a livable for purchase deed restricted project of for sale units. Staff envision a planned unit development project in which the owner would own the land and unit as opposed to just the air space in a condominium project. Staff determined that a design-build process would accelerate the delivery of the units. Staff presented the fundamentals of the design-build process to Town Council on November 17, 2021. Staff followed this process, working with legal counsel to develop the requisite documents that included a request for qualifications (RFQ), request for proposals (RFP), and contract documents. Staff consulted with an on-call engineering firm to develop bridging documents.

ANALYSIS:

On November 22, 2021, the Town issued a RFQ for development of the 60 Joaquin affordable housing project. The RFQ closed on December 17, 2021. The Town received qualifications from two qualified design build entities. The Town issued a RFP to both of the qualified firms on February 17, 2022. The firms were required to respond by March 18, 2022. At closing the Town received one proposal from MMI Consulting LLC. The proposal was complete and proposed fulfilling the project requirements for a guaranteed maximum price (GMP) of \$2.42M. The schedule proposes a breaking ground this summer with completion August 1, 2023.



FINANCIAL CONSIDERATIONS:

The Town budgeted \$3.2M for the development of the project. The GMP provided by the contractor was within this budget. When considering the cost of bridging documents (\$40,000), land acquisition (\$200,000), and Topo Survey (\$2,980) construction the total cost of the project is \$2,662,980. The remaining allocation of funds will be retained for use under the Town’s Housing Now! initiative.