



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

**AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR CITY YARD PROJECT  
OWNER'S REPRESENTATIVE SERVICES**

(Public Works Director Joe SanClemente)

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**Recommended Action:**

Staff recommends City Council:

1. Award a contract for City Yard owner's representative services to Cumming Management Group, Inc. at a not-to-exceed amount of \$565,000 for a term of four years ending January 13, 2030 (**Attachment 3**); and
2. Authorize the City Manager to execute and the City Clerk to attest the proposed agreement subject to approval by the City Attorney.

**Executive Summary:**

The Fiscal Year 2025–2026 Capital Improvement Program (CIP) includes CIP 615 New Corporate Yard Facilities to fully renovate the City Yard facility at 555 6th Street. Given the size and complexity of the Project, staff recommends to City Council retaining the services of an experienced owner's representative (OR) to augment City staff and facilitate the advancement of the long-awaited project. The OR will act as an extension of City staff, advocate the best interests of the City; providing strategic oversight, technical guidance, and coordination support to ensure the project is delivered on time, within budget, and to the City's quality requirements.

At its September 9, 2025 meeting, City Council directed staff to issue the Request for Qualifications (RFQ) for Owners Representative Services for the City Yard Project. Following a competitive RFQ process, staff recommends the City Council award a Professional Services Agreement to Cumming Management Group, Inc. (Cumming Group) at a not-to-exceed amount of \$565,000, and a term of four years ending January 13, 2030. OR services are intended to include all phases of the project, from pre-design through construction completion and closeout; however, the current scope of work covers only pre-construction services. Construction period services will be considered at a later date and subject to City Council approval at that time.

**Background:**

The Fiscal Year 2025–2026 Capital Improvement Program (CIP) includes CIP 615 New Corporate Yard Facilities intended to fully renovate the City Yard facility at 555 6th Street. The existing facility has far exceeded its useful life and is in poor condition with a growing urgency for extensive repairs and renovation to ensure continued use and efficient service delivery.

During the 2023 and 2024 CIP Study Sessions, Council indicated a desire for staff to evaluate the potential for the project to proceed through an alternative delivery model (i.e., design-build versus the design-bid-build method) with the goal of retaining a contractor–designer team through a qualifications-based selection, potential risk transfer, and reducing overall cost and schedule uncertainty.

Staff presented a brief presentation comparing both options to City Council during the May 13, 2025, CIP Study Session meeting for initial consideration. At that meeting, Council directed staff to seek additional input from the Public Works Commission on the preferred project delivery method and then return to City Council.

At its July 16, 2025 meeting, staff provided a presentation to the Public Works Commission (Commission) comparing the two proposed project delivery methods, and the necessary steps to advance the project under either method, including the importance of retaining OR services. Commission passed a motion recommending the City Council consider proceeding with the design-bid-build (DBB) method for the City Yard Project, citing concerns about potential unknowns in the guaranteed maximum price (GMP) at time of contract award and process constraints for design development and review.

In reviewing the concerns highlighted by the Public Works Commission, staff reevaluated the necessary steps to advance the project and determined that a decision on project delivery method was not yet required and there were other critical path items necessary to advance the project under either method, including retaining the services of an experienced owner’s representative (OR), advancing the project programming, updating environmental assessments, consideration of temporary relocation of existing operations off-site (e.g., storage facility site), and continued evaluation of financing options that will need to be in place before the project can fully advance.

Staff presented the project delivery plan to City Council at its meeting on September 9, 2025, at which time City Council directed staff to proceed with the issuance of the RFQ for OR services for the City Yard Project as well as direction to proceed with the project programming and environmental assessments.

**Past Commission and Council Actions**

Meeting Date	Description
<p><b><u>City Council:</u></b>  <a href="#"><u>May 13, 2025</u></a></p>	<p>City Council made a motion directing staff to seek additional input from the Public Works Commission and City Council on the preferred project delivery method.</p>
<p><b><u>Public Works Commission:</u></b>  <a href="#"><u>July 16, 2025</u></a></p>	<p>Public Works Commission reviewed delivery options and made a motion recommending City Council to proceed with the traditional design-bid-build procurement method for the City Yard Project.</p>
<p><b><u>City Council:</u></b>  <a href="#"><u>September 9, 2025</u></a></p>	<p>City Council directed staff to proceed with issuing the Request for Qualifications for Owners Representative services for the City Yard Project; advance the environmental assessment; and commence project programming phases of the project.</p>

**Discussion:**

On September 10, 2025, the City issued a Request for Qualifications (RFQ) 25-006 (**Attachment 1**) inviting experienced and highly qualified firms to submit a statement of qualification (SOQ) through a competitive process. The RFQ was advertised on the City’s online bidding platform, Planet Bids. On Thursday, October 9, 2025, a total of five SOQs were received in response to the RFQ.

The proposing firms are listed below in alphabetical order:

- CSG Consultants, Inc.;
- Cumming Management Group, Inc.;
- Epicus Group;
- Gillis & Panichapan Architects, Inc.; and
- Griffin Structures.

The proposals were independently evaluated in detail by a staff review panel and scored based on the following weighted criteria:

- Relevant Experience and Expertise (40 percent)
  - The Consultant’s ability to dedicate an Owners Representative, knowledgeable of the needs of a Public Works Department, which will serve as a single point of contact for the duration of the project.
  - Recent experience providing similar services for other jurisdictions.
  - Familiarity and experience with applicable industry standards and any relevant federal, state, and local requirements.
  - The depth and appropriateness of experience of individual members of the technical team as they relate to technical tasks typically called for on municipal projects.

- The team’s experience and ability to clearly communicate technical concepts and terminology with the community.
- Approach and Methods (40 percent)
  - Demonstration of the Consultant’s ability to be responsive to the City’s needs and provide a high level of customer service.
  - Evidence of the Consultant’s ability to successfully deliver project tasks and deliverables within the identified project budget and with minimized cost overruns.
  - Evidence of the Consultant’s ability to work collaboratively with other members of a multi-disciplinary team in a complex and dynamic working environment.
  - Demonstration of the Consultant’s commitment to accurate and superior work products and services as detailed in the project management plan.
  - A well thought-out and tailored approach to as-needed work that responds to the City’s particular issues and needs.
  - Incorporation of innovative and/or creative approaches for providing the services that will maximize efficient, cost-effective operations or increase performance capabilities.
- Administration (20 percent)
  - The extent and nature of any proposed amendments to the City’s Professional Services Agreement.
  - Billing rates and ability to comply with billing requirements.

The evaluation sought firms with experience in providing OR services on similar projects for other public sector clients with a proven, responsible, and responsive contract manager to ensure timely execution of all work related to the City Yard project.

Based on a comprehensive review, and following in-person interviews with top ranked firms, staff recommends that City Council award a contract for OR services for the City Yard to the top ranked firm, Cumming Group (**Attachment 2 and Attachment 3**). Firms were ranked according to the weighted selection criteria described above. The rankings are as follows:

Ranking	Company
1	Cumming Management Group, Inc.
2	Griffin Structures
3	Gillis & Panichapan Architects, Inc.
4	Epicus Group
5	CSG Consultants, Inc.

Cumming Group exhibited the greatest understanding of the City’s needs and demonstrated the strongest ability to provide an experienced project manager, who is a

licensed architect, along with experienced supporting staff as needed to advance the project. Cumming Group also had strong professional references and has provided similar services for numerous public agencies including LA County Public Works, Orange County Public Works, the City of Murrieta, the City of West Hollywood, and other municipal, county, state, and federal entities. The designated project manager brings direct expertise working on maintenance yard projects having experience on the Imperial Yard Relocation Study in South Gate for Los Angeles County Flood Control District, Pasadena Public Works Maintenance Yard Renovations, for the City of Pasadena, and most recently, with the City of Anaheim on their maintenance yard project. Cumming Group also has a local office in Hermosa Beach.

The intent of the OR is to assist the City from the pre-design phase of the project through construction completion and close-out; however, the current scope of work and fee is limited to pre-construction phase services only. Construction period services, and fees, would be revisited at a later date and subject to further approval by City Council. The pre-construction phase services are detailed in the scope of work (**Attachment 1**), which outlines work over an approximately two-year timeframe. The scope also details critical path elements in the next 3 to 6 months including, but not limited to, developing necessary scopes of work for environmental assessments, California Environmental Quality Act (CEQA) review, and initial architectural feasibility assessments and programming. Cumming Group will be responsible for coordinating the advancement of the overall project and assisting the City with developing a clear schedule and budget, and advising the City on a project delivery method. The OR will act as an extension of City staff, advocate the best interests of the City; providing strategic oversight, technical guidance, and coordination support to ensure the project is delivered on time, within budget, and to the City's quality requirements.

If approved by Council, OR services will commence immediately following contract execution, and written notice to proceed, with a not-to-exceed limit of \$565,00 with a four-year term ending January 30, 2030. Services would be performed on a time and materials basis with a not to exceed limit; therefore, hours not spent would not be billed. The contract currently assumes an average of approximately 135 labor hours per month over a two year period, which corresponds to slightly less than one full time equivalent (FTE). This level of assistance is appropriate for a project of this scale and to ensure that Public Works staff has the necessary support and technical assistance to advance the project in a timely manner.

**Fiscal Impact:**

Funds for the Owners Representative services are budgeted in the CIP 615 Corporate Yard Project Budget.

<b>Agreement Request</b>			
<b>Agreement</b>	<b>Request Amount</b>	<b>FY 2025-26 Budget Dept. Account #</b>	<b>Total Contract Amount</b>
Cumming Group	\$565,000	301-8615-4201	\$565,000

**Attachments:**

1. RFQ 25-006 City Yard Project Owner's Representative Services.
2. Cumming Group Statement of Qualifications
3. Proposed Professional Services Agreement with Cumming Group.

**Respectfully Submitted by:** Joe SanClemente, Public Works Director

**Noted for Fiscal Impact:** Henry Chao, Finance Manager

**Concur:** Brandon Walker, Administrative Services Director

**Legal Review:** Jason Baltimore, Interim City Attorney

**Approved:** Steve Napolitano, City Manager