



# CITY OF GEARHART

## Staff Report

For Special City Council Meeting - 4/16/2024

### ***Subject - Old Business - RFP - Owner's Representative Services and Request for Funds***

**Synopsis:** At the recommendation of the staff, the Council decided to postpone the decision on the Owner's Representative Services RFP award and the related funding request during the April Council meeting, as they were still awaiting information on two of the four bidders. The staff has now completed their evaluation and is ready to make a recommendation.

After considering pricing, feedback, and qualifications, the staff narrowed the choices down to two bidders: HMK Company and Klash Group. The amount of funds required will depend on which proposal the Council chooses. Approving a funding request of up to \$60,000 would cover either option. HMK has proposed a fee of \$42,480, while Klash has proposed a fee of \$58,039.

#### ***Council Options:***

1. Motion to award the Owner's Representative Services project to the recommended bidder and approve the funds request up to the stated amount to cover the cost;
2. Take other action desired by the Council.

**Recommendation:** Staff recommends awarding the project to Klash Group and approving funds up to \$60,000 for Phase I of the project. Both Klash Group and HMK Company came highly recommended, with no significant negatives reported about either. Both companies are familiar with each other and have spoken positively about their respective capabilities. The Council would be well served by hiring either company.

The decision to recommend Klash Group was influenced by their location on the coast, providing them with better local knowledge of the proposed project and the Gearhart community. While Klash Group's proposal is more expensive, it is important to consider that additional costs may arise from HMK's travel expenses to the coast.

**Legal Analysis:** Proposals were advertised on the League of Oregon Cities' RFP site, the post office, the City website, social media, and blog. The project will be in multiple phases due to procurement rules.

**Financial Analysis:** The first phase of the project will be paid through reserve funds. There is \$282,773.08 available in building reserve funds. The second phase will be included within the bond.

Respectfully Submitted,

Chad