



Legislation Text

File #: 0767-2012, **Version:** 1

The City has operated 1111 East Broad Street (Jerry Hammond Center, "JHC") under a five-year Facility Management Agreement ("FMA") for professional building management services that expires on April 30, 2012. Use of professional management services has been highly effective in assisting the City in maintaining and operating the JHC at a high level of efficiency. The City desires to continue this high level of performance through a new FMA agreement to replace the expiring agreement. The City has operated the Franklin County Municipal Court (FCMC), under a "maintenance only" contract that also expires on April 30, 2012. In order to elevate the performance and efficiency of the FCMC, the City wishes to include the provision of professional building management services at the FCMC and combine both facilities under a single FMA agreement thereby providing greater efficiencies, economies, and coordination of functions and services. The Department of Finance and Management, Real Estate Management Office conducted research to identify potential professional building management firms of adequate size and experience including the vendors currently registered with the City. The Department of Finance and Management, Real Estate Management Office solicited formal proposals from qualified professional management companies to provide full building management and maintenance service to both the JHC and FCMC buildings through a Request For Proposals (Solicitation SA004241).

The RFP was posted on the City's Vendor Services website on January 20, 2012. A mandatory tour of the buildings was conducted for interested responders on January 27, 2012. RFP responses were due on February 9, 2012. The City received proposals from five (5) firms - CBRE Group, Inc., Continental Realty, Ltd., ISS Facility Services, NAI Ohio Equities, and Paradigm Properties of Ohio. The responses were reviewed by a five (5) member evaluation committee. Each proposal was evaluated, scored, and rated on the followings criteria: competency to perform the required facility management and maintenance services based on the qualifications and work experience of employees; the ability to perform the required management and maintenance services competently and expediently; the proposed cost for services; the feasibility and quality of the proposal; and, past performance with projects of similar size and scope. The evaluation committee determined that Paradigm Properties of Ohio submitted the most responsive bid of the five (5) professional building management companies evaluated. Paradigm Properties of Ohio's response scored the highest overall and received the highest overall score and the highest score for the competency, ability to perform, and cost. The City desires to establish a five (5) year contractual relationship with Paradigm Properties of Ohio, LLC for full building management services.

This legislation authorizes the Director of Finance and Management to execute those documents necessary to enter into a new FMA with Paradigm Properties of Ohio, LLC to provide full building management and maintenance services for the Jerry Hammond Center and the Franklin County Municipal Court Building; authorizes the transfer of \$372,000 within the General Fund to OCA 455102 "Municipal Court Management" for the purpose of paying management and maintenance expenses for FCMC building; to authorizes the expenditure of \$372,000 for payment of certain expenses for MCB; authorizes the expenditure of \$972,483.00 for payment of expenses for Jerry Hammond Center; and, declares an emergency.

The expenditure of \$972,483.00 for JHC is based on the operating budget for JHC for 2012 which includes operating expenses of \$668,294.00 management fee and salaries to Paradigm of \$254,189.00, and \$50,000.00 for any unbudgeted and unforeseen building expenses.

Paradigm's Contract Compliance Number is 311609350, with an expiration date of 3/25/2014.

Emergency action is requested to allow a new FMA to be executed immediately to ensure ongoing facility management services, maintenance, and repairs are provided to the Jerry Hammond Center and the Franklin County Municipal Court

Building without interruption.

Fiscal Impact: Funds have been appropriated and are available in the Property Management Fund 294 for the Jerry Hammond Center and in the General Fund for the Franklin County Municipal Court Building. This ordinance authorizes the expenditure of \$972,483 for 2011-2012 building management and operating expenses for the Jerry Hammond Center including a \$50,000 contingency for unforeseen building expenses and repairs, and \$372,000 for 2012 - 2013 building management and maintenance expenses for Franklin County Municipal Court Building (\$1,344,483.00).

To authorize Director of Finance and Management to execute those documents necessary to enter into a Facility Management Agreement with Paradigm Properties of Ohio, LLC for professional management services for the Jerry Hammond Center and the Franklin County Municipal Court House; to authorize the transfer of \$372,000.00 within the General Fund; to waive the competitive bidding provisions of the Columbus City Code; to authorize the expenditure of \$972,483.00 from Property Management Fund and \$372,000.00 from the General Fund; and to declare an emergency. (\$1,344,483.00)

WHEREAS, it is in the best interest of the City to enter into a single contract for full professional building management services at both the Jerry Hammond Center (JHC), 1111 E. Broad Street and at the Franklin County Municipal Court Building, 375 S. High Street, Columbus, Ohio for the term May 1, 2012 through April 30, 2013, and

WHEREAS, the City of Columbus, Department of Finance and Management, desires to enter into a new Facility Management Agreement with Paradigm Properties of Ohio, LLC for full building management services for the Jerry Hammond Center and the Franklin County Municipal Court Building; and

WHEREAS, it is necessary to waive the competitive bidding provisions of the Columbus City Code as the specialized professional services, qualifications, and experience required are not defined in City Code (329) thereby providing for the solicitation of proposals through the Request For Proposal process; and

WHEREAS, it is necessary to authorize the expenditure of \$972,483.00 from Property Management Fund 294, 1111 East Broad Street, to provide payments to Paradigm Properties of Ohio, LLC for the first year of a Facility Management Agreement for the Jerry Hammond Center, for the provision of management services and payment of operating expenses, except utilities, for the building; and

WHEREAS, it is necessary to authorize the expenditure of \$372,000.00 from the General Fund to provide payments to Paradigm Properties of Ohio, LLC for the first year of a Facility Management Agreement for the Franklin County Municipal Court Building; and

WHEREAS, funds for a building maintenance contract for the Franklin County Municipal Court Building were budgeted in the Division of Facilities Management in 2012 ; and

WHEREAS, hereafter, it will be the responsibility of the Real Estate Management Office to manage the building management and maintenance contract for Franklin County Municipal Court Building and track cost accordingly; and

WHEREAS, it is necessary to transfer funds for management contract costs to the Real Estate Management Office; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to authorize the Director of Finance and Management execute those documents necessary to enter into a new Facility Management Services Agreement with Paradigm Properties of Ohio, LLC for operation of the Jerry Hammond Center (JHC), 1111 E. Broad Street and at the Franklin County Municipal Court Building (MCB), 375 S. High Street, Columbus, Ohio, to ensure ongoing facility management services, maintenance, and repairs without interruption and both buildings; and for the immediate preservation of the public health, peace, property and safety; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Finance and Management Director is authorized to enter into a Facility Management Agreement with Paradigm Properties of Ohio, LLC for the operation of the Jerry Hammond Center and the Franklin County Municipal Court House.

SECTION 2. That the terms of the contract shall be in a form approved by the City Attorney's office and shall include the following:

- a) The term shall be for a one (1) year period commencing May 1, 2012 and terminating on April 30, 2013, and shall contain four (4) consecutive one (1) year renewal terms. Each renewal term shall be subject to agreement by both parties and the appropriation of necessary funds by Columbus City Council and certification of funds availability by the City Auditor.
- b) The management fee for the initial term and each renewal term shall be set by schedule for each building. Such other terms and conditions as necessary and agreed to and approved by the City Attorney.

SECTION 3. That the expenditure of \$972,483.00, or so much thereof as may be necessary, be and is hereby authorized, to pay the cost of management, maintenance, and operations of the Jerry Hammond Center, as follows:

Dept./Div.: 45-07
Fund: 294
OCA: 294001
Object Level 01: 03
Object Level 03: 3370
Amount: \$972,483.00

SECTION 4. That the City Auditor be and is hereby authorized and directed to transfer \$372,000.00 as follows:

FROM:

Dept./Div.: 45-07
Fund: 10
OCA: 450044
Object Level 03: 3336
Amount \$372,000.00

TO:

Dept./Div.: 45-51
Fund: 10
OCA: 455102
Object Level 03: 3370
Amount \$372,000.00

SECTION 5. That the expenditure of \$372,000.00, or so much thereof as may be necessary, be and is hereby authorized, to pay the cost of the management and maintenance of the Franklin County Municipal Court Building, as follows:

Dept./Div.: 45-51
Fund: 10
OCA: 455102
Object Level 03: 3370
Amount: \$372,000.00

SECTION 6. That the City Auditor is authorized to make any changes to revise the funding source for any contract or contract modifications associated with this ordinance.

SECTION 7. That in accordance with Section 329.27 of the Columbus City Code, City Council has determined that it is in the best interest of the City of Columbus that the formal competitive bidding requirements of Chapter 329 be and are hereby waived.

SECTION 8. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.