

City of Alexandria, Virginia

MEMORANDUM

DATE: NOVEMBER 10, 2022

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER

FROM: EMILY A. BAKER, DEPUTY CITY MANAGER

SUBJECT: BRIC GRANT APPLICATION UPDATE

This memo is in response to questions raised by City Council at the November 9, 2022 Legislative Meeting regarding the \$50 million grant application to the Federal Emergency Management Agency (FEMA) Building Resilient Infrastructure and Communities (BRIC) grant for the Waterfront Flood Mitigation project. Consideration of the item was deferred until the November 12, 2022 Public Hearing.

Will the grant application receive a higher score if the project includes a Project Labor Agreement (PLA)? Staff has reevaluated the scoring criteria for the grant and spoken with Becker & Poliakoff, the City's federal lobbyist consultant. BRIC grants are scored on a quantitative and qualitative scale. The quantitative score involves a cost/benefit analysis that is calculated based on the project's total costs. This cost benefit analysis is performed by a Virginia Department of Emergency Management (VDEM) contractor. The qualitative score includes a number of factors, one of which is Implementation Measures. This category does indicate a preference for strong labor standards, including a project labor agreement.

The criteria indicate that it may be possible to gain a small number of qualitative points by adding a PLA to the project. However, the City's consultant advises that adding a PLA will also increase the cost of the project in VDEM's cost/benefit analysis (based on administrative costs to implement the PLA), reducing the quantitative score. According to them, this quantitative analysis is given a higher priority in the evaluation criteria than the qualitative analysis.

What is the status of the project's procurement, and does that affect the ability to add a PLA to the project? The Waterfront Flood Mitigation Project will be utilizing a

Progressive Design/Build process. The Design/Build team is being procured through a two-phase process, a request for qualifications (RFQ) phase and a request for proposal (RFP) phase. The RFQ phase is currently advertised and the submittals are due to the City on November 18. A selection panel will evaluate all of the RFQs and create a short list of teams to proceed to the RFP process. The RFP is currently anticipated to be released in early 2023.

Staff has spoken with Capital Project Strategies, DPI's consultant on the Progressive Design/Build process. They indicate that when PLAs are included in a project with a two-phase procurement process, the PLA is included in the RFQ phase (the initial phase). This allows the contractors to create teams and assemble the appropriate qualifications while knowing that there will be a PLA requirement. In this region, there are some non-union contractors, including subcontractors. Contractors would need to know in advance if they needed to be prepared to use union subcontractors. If the City were to include a PLA in the RFP process, after the RFQ phase was completed, it would be considered a material change and could open up the procurement process to a protest. Staff also discussed this with the City Attorney's Office, and they are in agreement with this assessment. To avoid these issues, the procurement process would need to be restarted, resulting in a time delay of several months, potential loss of interested bidders, and potential cost increase.

When is the grant application due to FEMA? An application was submitted to VDEM earlier this month to begin their evaluation and screening process. VDEM will forward the application to FEMA, along with the analysis, in January. Staff can make modifications to the application (such as adding that the project will comply with the City's Prevailing Wage ordinance, if adopted) prior to the submission to FEMA. Staff does not anticipate that the Prevailing Wage requirements will affect the project cost of this particular project, based on the current wage rates in this region for projects of this size.

cc: Terry Suehr, Director, DPI
Rami Chehade, Deputy Director, DPI