



Legislation Text

File #: 19-304, **Version:** 1

To: Mark R. Hafner, City Manager

From: Gary Davis, Parks Construction Manager

Subject:

Consider a resolution approving Byrne Construction Services as the Construction Manager at Risk (CMAR) to manage the design cost and construction of a senior center for the Parks and Recreation Department; and authorizing the City Manager to execute all documents relating thereto on behalf of the City of Keller, Texas.

Action Requested:

Consider a resolution approving Byrne Construction Services as the Construction Manager at Risk (CMAR) to manage the design cost in the amount of \$25,000 for preconstruction services, \$268,394 for design fees for a total of \$293,394, and, approve Byrne Construction Services to manage construction of the Keller Senior Activity Center.

Background:

A contract was approved by City Council in February 2019 to proceed with Brinkley Sargent Wiginton Architects and also directed staff to pursue a Construction Manager at Risk (CMAR) to be brought forth for future City Council consideration.

Staff advertised for a Construction Manager at Risk (CMAR) as part of a two-piece sealed Request for Qualifications (RFQ) process. Eight companies responded and Byrne Construction Services was unanimously chosen as being the most qualified among the five staff members assigned to the selection committee. As required by State bidding laws, once Bryne was selected, their fee proposal was opened. The fees total \$293,394 for combined preconstruction and design cost oversight. Their actual construction phase fee will be established as part of the Guaranteed Maximum Price (GMP) that will be determined when the design is finalized based upon complexity and timeline.

The initial building size was 23,000 square feet (Exhibit A1) at a projected cost of \$9,671,267 including professional design services, building construction, furniture, fixtures, and equipment (see Exhibit A4). As a result of working through the individual elements of that amount the design team has already reduced it to \$9,571,967. The architect has since combined and realigned areas of the building for user efficiency that removes approximately another 1,000 square feet, which should translate into even more savings.

A preliminary view of the new center is attached (see Exhibit B). It highlights progress made thus far through design reviews with staff and the architect. It must be emphasized that this is the point where Byrne is deeply involved managing building costs to meet or beat the final budgeted amounts.

Byrne's contract, (see Exhibit C) includes a fee percentage of 3.15% of only the portion of the

\$9,571,967 they are responsible to manage, which is \$8,739,440. That percentage applied to their areas of responsibility is \$268,394. The contract states that any savings below their budgeted amount has a shared savings formula of 75% to the City and 25% back to Byrne.

Once the construction guaranteed maximum price (GMP) is established at the end of the design phase; any further reduction below the GMP will have the same 75/25% savings share. Should the final pricing exceed the GMP, Byrne is responsible for any overrun not approved by the City in advance.

Financial Impact:

The estimated cost of this project is \$9,571,567 of which \$1.6 million is intended to be cash funded from fund balance.

The remaining \$8 million was approved by the voters in the November 2018 bond election to be issued as a 15 year note with no impact to the city's tax rate.

Citizen Input/Board Review:

Multiple public meetings, workshops and presentations on the project have been held since October 2015.

Legal Review:

The City Attorney has been provided the proposed agreement.

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial