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Memorandum Date: April 11, 2011
Order Date: April 27, 2011

TO: Board of County Commissioners

DEPARTMENT: Public Works

PRESENTED BY: Tanya Heaton, Administrative Services Manager

AGENDA ITEM TITLE: ORDER/In the Matter of Amending a Contract for Construction Management/General Contractor (CMGC) Services with Chambers Construction Co. for the Public Works Customer Service Center to Include the Guaranteed Maximum Price (GMP)

I. MOTION

Move Approval of Order 11-04-27-___ In the Matter of Amending a Contract for Construction Management/General Contractor (CMGC) Services with Chambers Construction Co. for the Public Works Customer Service Center to Include the Guaranteed Maximum Price (GMP).

II. AGENDA ITEM SUMMARY

The Board is being asked to amend the contract with Chambers Construction Co. for construction services for the Public Works Customer Service Center project. This contract has two phases. The pre-construction phase was for a fixed fee not to exceed \$12,500. During the pre-construction phase, the Chambers Construction Co. worked with the project team to analyze the design and recommend modifications for improving the constructability of the facility and providing the County with the highest quality facility within specified time frames and budget.

The second phase of this contract will be for construction. During the construction phase, the CM/GC shall manage the construction, provide and pay for all materials, tools, equipment, labor, professional and non-professional services, and shall perform all other acts and supply all other items necessary to fully and properly perform and complete the work as required by the contract documents. This amendment is for the Guaranteed Maximum Price (GMP) for the construction.

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

The Board has previously directed Public Works to pursue developing a Customer Service Center at the Delta location, which would consolidate several customer service sites in one area, including moving the Land Management Division from the Public Services Building to the new Customer Service Center. The Director was also given authorization to pursue a LEED Silver designation in developing that facility. Management Services developed and coordinated the RFP Process with the Public

Works Customer Service Center (CSC) project team. The CSC Project Team includes the Public Works Director, Administrative Services Manager, County Engineer, County Surveyor, Land Management Division Manager, Road & Bridge Maintenance Division Manager, Executive Specialist and the Parks Division Manager.

In December 2009 the Board authorized a contract for Architectural Services with PIVOT Architecture for the Public Works Customer Service Center. The first phase of the process was to develop an architectural master plan for the project. This plan has been developed and functions and positions have been identified for the center. The second phase of the process was to develop an architectural schematic design for the project. The next phase was to finalize the design and prepare construction documents for the construction phase. The applicable adopted Board Orders are as follows:

- ORDER 09-12-15-5 Awarding a Contract for Architectural Services to PIVOT Architecture and Planning for the Public Works Customer Service Center. (PASSED)
- ORDER 10-3-31-16 Financing the Public Works Customer Service Center. (PASSED)
- ORDER 10-3-31-17 Authorizing a Capital Interfund Loan in an Amount not to Exceed \$2,000,000 from the Solid Waste Fund to the Road Grants Subfund of the Road Fund and Authorizing the Reimbursement of Expenditures with Reimbursement Obligation Proceeds. (PASSED)
- PUBLIC HEARING AND ORDER 10-3-31-18 Approval and Exemption for Use of Construction Management/General Contractor (CM/GC) to Obtain Construction Services for the Public Works Customer Service Center. (PASSED)
- DISCUSSION AND POSSIBLE ACTION/ORDER 10-5-18-1 Amending the Public Works Customer Service Center Agreement with PIVOT Architecture for Phase 2 Architectural and Engineering Services in the Not-to-Exceed Amount of \$219,816. (PASSED)
- ORDER 10-6-23-11 Awarding a Contract for Construction Manager/General Contractor (CM/GC) Services to Chambers Construction Company for the Public Works Customer Service Center. (PASSED)
- ORDER 10-9-21-4 Approving the Schematic Design for the Public Works Customer Service Center. (PASSED)
- ORDER 10-9-21-5 Amending the Public Works Customer Service Center Agreement with PIVOT Architecture for Phase 3 Architectural and Engineering Services in the Not-to-Exceed Amount of \$548,976. (PASSED)
- ORDER 11-2-2-11
Authorizing Financing of Projects in a Principal Amount Not to Exceed

\$10,735,000 and Authorizing Reimbursement of Expenditures from Proceeds.
(PASSED)

B. Policy Issues

Per Board direction, a LEED Silver designation has been pursued in developing the facility. In keeping the project within budget, it may not be possible to achieve a LEED Silver rating. The project will be able to be LEED certified and a LEED Silver designation will still be pursued if possible. By achieving a LEED designation, the County affirms its commitment to sustainability in developing its capital assets.

C. Board Goals

Goals and Strategy B.1.d. of the Lane County Strategic Plan is served by protecting the public's assets by maintaining, replacing, or upgrading the County's investments in systems and capital infrastructure; improving space and facility conditions to better serve citizens; insuring adequate maintenance of existing infrastructure, and providing an environment conducive to high employee productivity.

D. Financial and/or Resource Considerations

Under the CM/GC process, the contractor prepares a single Guaranteed Maximum Price (GMP) in accordance with the architectural specifications. Funding for non-Road Fund eligible costs of this project were approved by the Board of Commissioners in Board Order 11-2-2-11 through capital debt financing. Funding for the Road Fund eligible costs is included in the FY 11-12 Proposed Budget and the FY 10-11 Adopted Budget.

E. Analysis

Given the complexity of the remodel project and the conversion of a garage into a Customer Service Center it was important that the project team address all the issues involved and develop an efficient and effective working plan. During the pre-construction period the CM/GC worked with the architects and the rest of the team to deal with issues of constructability, scheduling and value engineering. Having these issues settled prior to bidding the actual construction process ensures better bidding and fewer change orders.

The GMP was reviewed and approved by the project team. The approved figure is \$4,590,994 This includes \$5,200,000 debt financing for non—Road Fund eligible costs and \$1,000,000 from the Road Fund for Road Fund eligible costs.

During the construction process the CM/GC will be responsible for preparing the competitive bidding packages for the various subcontractors in accordance with County purchasing requirements.

The GMP is within the project budget and has been included in the FY 11-12 proposed budget.

F. Alternatives/Options

Option 1: Approve the recommendation to amend the contract to Chambers Construction Company to include the GMP.

Option 2: Reject the recommendation.

V. TIMING/IMPLEMENTATION

Construction mobilization will begin on June 1. The demo will begin immediately following.

VI. RECOMMENDATION

Accept the GMP and begin renovation.

VII. FOLLOW-UP

Upon adoption by the Board, a contract amendment will be prepared for signature by the County Administrator.

VII. ATTACHMENTS

Board Order

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY
STATE OF OREGON

ORDER NO.

) IN THE MATTER OF AMENDING THE
) CONTRACT FOR CONSTRUCTION
) MANAGER/GENERAL CONTRACTOR
) (CM/GC) SERVICES WITH CHAMBERS
) CONSTRUCTION COMPANY FOR THE
) PUBLIC WORKS CUSTOMER SERVICE CENTER
) TO INCLUDE THE GUARENTEED MAXIMUM
) PRICE (GMP)

WHEREAS, the County wishes to construct a Public Works Customer Service Center at the Delta complex with a goal to achieve an energy efficiency LEED rating if feasible; and

WHEREAS, per Board Order No. 10-03-31-18, approval and exemption for use of the Construction Management/General Contractor (CM/GC) to obtain Construction Service for the Public Works Customer Service Center was granted; and,

WHEREAS, In June 2010, the Board authorized the County Administrator to sign the agreement between Lane County and Chambers Construction Company as Construction Managers; and

WHEREAS, the County has negotiated a Guaranteed Maximum Price with the Construction Manager that is within the project budget; and

WHEREAS, approval of the Guaranteed Maximum Price is requisite for the Construction Manager to continue work on the project;

IT IS HEREBY ORDERED, that the Board of Commissioners authorize the County Administrator to sign the amendment for the Guaranteed Maximum Prices in the amount of \$4,590,994 for the construction of the Lane County Public Works Customer Service Center.

Effective date: _____ day of _____, 2011.

Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 4/19/11 Lane County

David Law
OFFICE OF LEGAL COUNSEL