

CIP BUDGET EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:

4/17/14

CONTACT DEPARTMENT(S):

Financial Services

SUBJECT: Authorize funding for the New Central Library Project Construction Manager at Risk Contract with HENSEL PHELPS CONSTRUCTION COMPANY in the revised contractual construction cost limitation amount of \$116,358,200 with a \$1,842,000 contingency, for a total not to exceed amount of \$118,200,200, for the construction of the New Central Library and Related Improvements Project including the 2nd Street bridge, utilities, and roadway improvements.

CURRENT YEAR IMPACT:

NEW CENTRAL LIBRARY

Department:	Austin Public Library
Project Authorization:	2013-2014 Capital Budget 2006 G.O. Bond Program, Block 21 Sale Proceeds, Certificates of Obligation, Contractual Obligations,
Funding Source:	General Fund Transfer
Fund/Dept/Unit:	Various
Current Budget	119,988,640
This Action	(93,383,807)
Allocated for other project costs	26,604,833
Department:	Austin Water Utility
Project Authorization:	2013-2014 Capital Budget
Funding Source:	AWU Fund Transfer
Fund/Dept/Unit:	4480-2307-4665
Current Budget	202,086
This Action	(202,086)
Allocated for other project costs	0
Department:	Austin Energy
Project Authorization:	2013-2014 Capital Budget
Funding Source:	100% Current Revenues
Fund/Dept/Unit:	3120-1107-P125
Current Budget	600,000
This Action	(600,000)
Allocated for other project costs	0

SECOND STREET ROADWAY

Department:

Project Authorization:

Funding Source:

Fund/Dept/Unit:

Current Budget

This Action

Allocated for other project costs

**EDD, Public Works, Watershed Protection, Austin
Energy, Austin Water**

2013-2014 Capital Budget

1998 & 2000 G.O. Bond Program, Commercial Paper,
Drainage Utility Fund Transfer, Green Land Sale

Proceeds, Certificates of Obligation

Various

27,959,897

(22,314,307)

5,645,590

SEAHOLM SUBSTATION SCREEN WALL

Department:

Project Authorization:

Funding Source:

Fund/Dept/Unit:

Current Budget

This Action

Allocated for other project costs

Economic Development

2013-2014 Capital Budget

Green Sale Proceeds

8560-5507-0334

1,370,000

(1,370,000)

0

Department:

Project Authorization:

Funding Source:

Fund/Dept/Unit:

Current Budget

This Action

Allocated for other project costs

Austin Energy

2013-2014 Capital Budget

Commercial Paper

3240-1107-4845

920,000

(330,000)

590,000

Total Amount of this Action:**118,200,200**

ANALYSIS / ADDITIONAL INFORMATION: The New Central Library and Related Improvements Project includes three distinct elements: the New Central Library, the 2nd Street Extension (including a bridge over Shoal Creek and the related improvements to the Shoal Creek Greenbelt), and a new artistic perimeter screen wall around the Seaholm Substation. Because of the interrelated nature of the project elements and their overlapping work zones, the work has been consolidated under a single Construction Manager at Risk (CMAR) agreement with Hensel Phelps Construction Company.

In May 2013, staff received Council authorization of a Construction Cost Limitation (CCL) for the project of \$111,900,000 (including \$2,600,000 Owner Contingency for unforeseen conditions, scope changes, code interpretation, etc.) which was provided by Hensel Phelps and was based upon 60% drawings. Early work commenced on site under the first partial Guaranteed Maximum Price (GMP) in June 2013. In October 2013, a revised total cost was received from Hensel Phelps based upon 90% drawings and unfortunately the total cost was above the authorized CCL, but still within the overall project budgets of both the New Central Library and the 2nd Street Extension projects. In order to keep the overall project moving forward, a second partial GMP was approved for a value that remained within the authorized CCL. Scopes of work include the library's concrete and steel structures; mechanical, electrical, and plumbing systems; building envelope construction, including masonry, metal siding, and glazing; the 2nd Street bridge, and mechanically stabilized earth or MSE wall construction. A notice to proceed was issued in January 2014, and work is underway. The third partial GMP was received on March 19, 2014, and includes all remaining work associated with the library and 2nd Street. Partial GMP3 includes Library finishes, site concrete and landscaping; 2nd Street roadway construction; and Shoal Creek Greenbelt landscaping. Negotiations are currently in progress. Staff intends to issue a Notice to Proceed for these scopes of work no later than May 14, 2014.

The final and fourth partial GMP will be for the construction of the perimeter screen wall around the Seaholm Substation. Final design completion and cost estimating will be finished sometime in June 2014. Soon thereafter, staff will return to Council for funding authorization for the final Construction Cost Limitation amount to include the Seaholm Screen Wall.

This Request for Council Action revises the Construction Cost Limitation and thereby provides additional funding authorization for the New Central Library and Related Improvements project with Hensel Phelps Construction Company, Construction Manager at Risk, in the amount of \$116,358,200 with \$1,842,000 Owner contingency for a total not to exceed authorization of \$118,200,200.

This need for additional authorization is due to many contributing and significant factors which includes: inclusion of audio visual equipment, specialty built-in furniture, and bicycle racks for the New Central Library and upgraded elevators at the request of the Library Department; additional pre-construction services; cost variances between initial estimates and actual pricing; multiple unforeseen site conditions; increase in construction costs to address code requirements; and inclusion of additional work related to