

AGENDA



Recommendation for Council Action (CLMD)

Austin City Council

Item ID:

38070

Agenda Number

27.

Meeting Date:

November 20, 2014

Department:

Contract Management

Subject

Authorize the selection of an option for the construction of the Seaholm Substation Art Wall Subproject and authorize additional funding for the construction manager at risk contract with HENSEL PHELPS CONSTRUCTION COMPANY for one of the following Seaholm Substation Art Wall options: Option 1- authorize no additional funding for an unchanged Construction Cost Limitation of \$118,200,200; Option 2 - authorize an additional \$668,784 for a revised Construction Cost Limitation of \$118,868,984; Option 3 - authorize an additional \$1,447,286 for a revised Construction Cost Limitation of \$119,647,486; or Option 4 - authorize an additional \$2,852,073 for a revised Construction Cost Limitation of \$121,052,273; and authorize negotiation and execution of a final guaranteed maximum price amendment for the New Central Library and related improvements contract.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Capital Budgets of Austin Energy and the Economic Development Department for Option 1. The additional funding necessary for Options 2 or 3 is available in the Fiscal Year 2014-2015 Capital Budget of Austin Energy.

Fiscal Note

A fiscal note is attached.

Purchasing Language:

Prior Council Action:

April 17, 2014 – Council approval of revised Contractual Construction Cost Limitation.
 May 9, 2013 – Council approval of Construction Cost Limitation and approval to negotiate and execute a guaranteed maximum price for the New Central Library and Related Improvements.
 October 18, 2012 – Council approval to negotiate and execute an amendment for additional Preconstruction Phase Services with Hensel Phelps Construction Company.
 January 26, 2012 - Council approval to negotiate and execute an amendment for additional Preconstruction Phase services with Hensel Phelps Construction Company.
 July 29, 2010 - Council approval to negotiate and execute a CMAR contract with Hensel Phelps Construction Company.
 March 6, 2008 - Council authorization of Construction Manager at Risk as project delivery method.

For More Information:	Cynthia Jordan, 512-974-7183; Jose Ibarra, 512-974-7195; Lynda Williams, 512-974-3066; Elizabeth Godfrey, 512-974-7141.
Boards and Commission Action:	█
Related Items:	
MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals for Preconstruction Phase Services of the Construction Manager at Risk agreement of 7.69% MBE and 3.02% WBE. Current and future work packages for Construction Phase Services contain MBE /WBE goals which are: 2.07% African American; 7.26% Hispanic; 0.80% Native/Asian American; and 2.44% WBE.

Additional Backup Information

The New Central Library and Related Improvements Project includes three distinct elements: the New Central Library, 2nd Street extension (including a bridge over Shoal Creek and the related improvements to 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.

Partial GMP 1: 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.

Partial GMP 2: 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 MSE wall construction. A notice to proceed was issued in January 2014.

Partial GMP 3: The third partial GMP was received on March 19, 2014 for all remaining work associated with the library and 2nd Street Extension. Specifically, partial GMP3 included Library finishes, site concrete and landscaping; 2nd Street roadway construction; and Shoal Creek Greenbelt landscaping. The partial GMP 3 amendment was executed on May 23, 2014. This includes the Wall foundation scope which was part of GMP3 for an amount of \$1,310,284.

Final partial GMP 4: The final and fourth partial GMP proposal for the construction of the perimeter screen art wall around the Seaholm Substation was received November 5, 2014 and is based on the final design received in early October 2014. A Notice to Proceed for the final component of the project is anticipated to be issued in January 2015. The project team has worked with Hensel Phelps to develop four options at different price points for the Art Wall. The options and associated costs are as follows:

Option 1 - No additional funding required because the following work is currently included in the existing authorization amount (Construction Cost Limitation NTE \$118,200,200 is unchanged):

- a) Install critical foundations and retaining wall along the East and South walls.
- b) Erect a wood fence along the East (Shoal Creek) side.
- c) Install chain link fence along the South (2nd Street) wall.

- d) Existing walls on the North (3rd Street) and West (West Ave) sides remain.
- e) Lighting and benches are not included.

Option 2 - \$668,784 (for a revised Construction Cost Limitation NTE \$118,868,984):

- a) Install critical foundations and retaining wall along the East and South walls.
- b) Erect a wood fence along the East (Shoal Creek) side.
- c) Install concrete posts along the South (2nd Street) wall.
- d) Existing walls on the North (3rd Street) and West (West Ave) sides remain.
- e) Lighting and benches are not included.

Option 3 - \$1,447,286 (for a revised Construction Cost Limitation NTE \$119,647,486):

- a) Install critical foundations and retaining walls along the North, East, and South walls.
- b) Install decorative A/B wood posts along East (Shoal Creek) side.
- c) Install concrete posts along the South (2nd Street) and North (3rd Street) sides.
- d) Existing wall on the West (West Ave) sides remains.
- e) Lighting and benches are not included (Lighting would add approximately \$50,000).

Option 4 - \$2,852,073 (for a revised Construction Cost Limitation NTE \$121,052,273):

- a) Install critical foundations and retaining walls along the North, East, and South walls.
- b) Install decorative A/B wood posts along the East (Shoal Creek).
- c) Install concrete posts along the South (2nd Street) and North (3rd Street) sides.
- d) Install concrete bases and perforated metal panels along the West (West Ave) side.
- e) Lighting and benches are included.

This Request for Council Action requests a selection of one of the four options listed above and authorizes additional funding for the Construction Manager at Risk Contract with Hensel Phelps Construction Company in the amount necessary to implement the selected option. If Option 4 is selected, which includes the full scope of the proposed Seaholm Substation Art Wall, the contract will be increased by \$2,852,073 for the Seaholm Substation Art Wall creating a revised Contractual Construction Cost Limitation amount of \$121,052,273 including Owner contingency for a total not to exceed amount of \$121,052,273 for the New Central Library and Related Improvements Contract.

Preconstruction Phase and General Conditions Costs MBE/WBE Participation to Date: In 2010, the CMAR agreement was awarded to Hensel Phelps for \$250,000 for Preconstruction Phase Services in compliance with Minority and Women Owned Business Enterprise Procurement Program by meeting the goals with 7.69% MBE and 3.02% WBE participation. These goals also included the General Conditions of the construction contract. In 2011 and 2012, additional Preconstruction Phase services and General Conditions costs were added to the CMAR agreement when the 2nd Street Bridge & Extension from Shoal Creek to West Avenue and the Seaholm Substation Screen Wall were added to the contract. The incorporation of these additional scopes resulted in an increase in the scope of work performed by the CMAR (Hensel Phelps) without impacting Hensel Phelps' commitment to their MBE/WBE subconsultant/subcontractor participation during this phase. Due to the nature of this additional Preconstruction Phase scope a disproportion in the original established goals set in 2010 has resulted. To date most preconstruction services have been performed by Hensel Phelps. To date, participation of subcontractors/subconsultants on Hensel Phelps' approved Compliance Plan whose work effort is tied to the procurement process for construction phase or for General Conditions of the construction contract is: 4.16% MBE and 1.60% WBE.

Construction Phase Services MBE/WBE Participation to Date: The MBE/WBE goals established for the Construction work packages are: 2.07% African American; 7.26% Hispanic; 0.80% Native/Asian American; and 2.44% WBE. Multiple construction work packages are in varying stages of solicitation, evaluation, and award by the

Construction Manager, Hensel Phelps. To date approximately 70% of all work packages are purchased by the Construction Manager and approved by SMBR. Participation for those work packages purchased by the Construction Manager thus far consisting of the initial phases of work including soil retention, utilities, bridge and bank stabilization, Library, and Seaholm subsurface and infrastructure work is: 0.08% African American; 0.25% Hispanic; 0.22% Native/Asian American; and 2.63% WBE.