



Recommendation for Action

File #: 19-3589, **Agenda Item #:** 11.

12/5/2019

Posting Language

Approve a resolution finding the use of the construction manager-at-risk method of contracting, as authorized by Subchapter F, Chapter 2269 of the Texas Government Code, is the project delivery method that provides the best value to the City for the Dougherty Arts Center Facility Replacement to build a new building and related structures to the building.

(Note: MBE/WBE goals will be established prior to issuance of this solicitation.)

Lead Department

Capital Contracting Office

Managing Department

Capital Contracting Office

Fiscal Note

A Recommendation for Council Action with the not to exceed contract amount for the resultant contract will be presented to Council once the Construction Manager-at-Risk selection has been completed.

Purchasing Language:

This request is for Council to authorize the use of the Construction Manager-at-Risk; therefore, no solicitation has yet been initiated.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Beverly Mendez, 512-974-3596.

Additional Backup Information:

State Statute governs construction procurement for municipalities. The standard method of contracting used for construction services is competitive bidding where the contract is awarded to the lowest responsive bidder. Texas Government Code Chapter 2269 allows for methodologies alternate to low bidding method which may provide the best value to the municipality. These alternate methodologies include: Competitive Sealed proposals, Construction Manager-at-Risk, Design-Build, and Job Order Contracting. Texas Local Government Code Section 252.022(d) allows the City to adopt and use an alternative method such as Construction Manager-at-Risk under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

The Construction Manager-at-Risk (CMR) method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a CMR to perform preconstruction and construction phase services. The role of the CMR goes beyond performing general

contractor services. The Construction Manager is under contract early in the design process to perform key preconstruction phase services such as collaborating with the City and the design team on scope and constructability and to optimize the design and control costs and budgets, and to provide quality assurance-quality control. After design, and before the CMR begins construction, the City will negotiate and execute a Guaranteed Maximum Price (GMP) for the remainder of the work, including actual construction.

A Construction Manager-at-Risk firm will be selected by a City-staffed evaluation panel that will evaluate and score proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code 2269, the City of Austin will select a CMR firm that will provide the “best value” to the City for preconstruction and construction services for the Project.

This project is to build a facility to replace the current facility of the Dougherty Arts Building. The estimated construction budget for this work is \$19,000,000 and it is anticipated that construction will begin Fall of 2021.

This item is not time sensitive, however a delay in authorizing the use of this method would mean a delay to the issuance of this solicitation.

This solicitation and evaluation process is approximately ten months.