



## Recommendation for Action

**File #:** 20-3330, **Agenda Item #:** 4.

1/27/2021

### 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, as the project delivery method that provides the best value to the City for renovations and additions to the Asian American Resource Center.

(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](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Project inquiries should be directed to Rolando Fernandez, 512-974-7749 or Beverly Mendez, 512-974-3596.

### Additional Backup Information:

State statutes govern construction procurement for municipalities. The standard method of contracting used for construction services is competitive bidding where the contract is awarded to the lowest responsible 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 (CMR) under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

The 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 firm to perform preconstruction and construction phase services. The role of the CMR firm goes beyond performing general contractor services. The CMR firm is under contract early in the design process to perform key preconstruction phase services such as collaborating

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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 firm begins construction, the City will negotiate and execute a Guaranteed Maximum Price for the remainder of the work, including actual construction.

A CMR 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 will select a CMR firm that will provide the “best value” to the City for preconstruction and construction services for the Project.

This project has been identified as part of the next phase of development at the Asian American Resource Center (AARC). The master plan was developed with extensive community input and involvement and was approved by City Council on September 19, 2019. This phase of the master plan project is for the addition of a performing arts center and associated spaces to the existing AARC. The project has intensive community engagement with heavily engaged stakeholders. The CMR method will allow for their input regarding needs and concerns during the preliminary design phase with the architect and construction manager. The project also has a limited budget and the CMR method will ensure the architect and CMR firm work together to accommodate as many stakeholders needs, appropriate materials and equipment to meet requirements that deliver the best facility within budget. Finally, the project requires specialty knowledge and experience and the CMR method will allow a designer and CMR firm with performance art facility expertise and experience to collaborate early in preliminary design to articulate project parameters, cost, and schedule.

The estimated budget for the entire project is \$7,000,000 and it is anticipated that construction will begin June 2023.

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 and a delay in the construction and delivery of this project.

This solicitation and evaluation process are approximately 12 months.

**Strategic Outcome(s):**

Culture and Lifelong Learning; Government that Works for All; Economic Opportunity and Affordability.