



Memo

To: Clay Pearson, City Manager
From: Jameson S. Appel, Project Manager
CC: Jon Branson, Deputy City Manager
Trent Epperson, Assistant City Manager
Robert Upton, Director Engineering and Capital Projects
Vance Riley, Fire Chief
Johnny Spires, Police Chief
Chad Randall, Assistant Chief of Police
Skipper Jones, Assistant Director of Capital Projects
Date: October 1, 2020
Re: Fire Station #4 and Shari D. Coleman Animal Shelter and Adoption Center. Contract Award – Guaranteed Maximum Price

1 October 2020
To: Mayor and City Council members
Information for forthcoming award to finish the CMAR to complete replacement Fire Station #4 and Animal Shelter and Adoption Center adjacent to each other on our Freedom Drive property. Very positive and competitive pricing, great improvements and advances for public service provision. Clay

Purpose

This memo provides information about the progress on two projects: Fire Station #4 and Shari D. Coleman Animal Shelter and Adoption Center and the proposed award of an amendment to the existing Construction Manager at Risk (CMAR) Pre-Construction Services contract, approving the Guaranteed Maximum Price (GMP) for Construction Phase of the project.

Background

The Fire Station # 4 project consists of the construction of a new 14,343 SF fire station with operational support and living quarters for one 4-person fire crew and battalion chief and one 2-person ambulance and supervisor. The facility will be constructed to operate on a full-time 24/7 basis and contain four 80-foot-deep drive through apparatus bays for Fire apparatus as well as space to house the Police Department's Mobile Command Post vehicle.

The Animal Shelter was approved in the May 2019 Bond Election and consists of constructing a new modern facility focused on the increased capacity to match the current population of the City, increased public contact and adoption rates, providing improved medical capabilities and lowering euthanasia numbers. This project will provide a 21,520 SF facility that is intended to house 16 staff members and kennels to house 103 canines and 98 felines. The facility includes exterior dog runs, fenced play yards designed to give dogs space to exercise and meet their future family.

It was determined that Fire Station # 4 and the Animal Shelter would both be located north of Freedom Drive within the Public Safety Building site, staff evaluated the best options for delivering both projects, on similar schedules due to the close proximity to each other. To avoid risk with site and contractor conflicts, promote coordination, and to gain economy of scale it was determined that a single CMAR for Fire Station # 4 and Animal Shelter would provide the best benefit and value to the City. A single CMAR will be able to schedule site work for the entire site without coordination or impact to another general contractor and have the ability to move subcontractors from one building to the next. Eliminating the coordination and reducing the risk of having two general contractors, and potentially

multiple sub-contractors of the same trade, will lead to better costs and scheduling efficiencies. To ensure internal accounting allocates funding properly to each project, the costs will be tracked, specific to each building, with clear delineations for each building's share of the site work.

The Request for Proposal (RFP) was advertised February 2020, the City selected Durotech as the CMAR representing the best qualified to assist with final design and provide competitive sub-contractor bidding and vendor pricing for the construction of Fire Station # 4 and Animal Shelter and Adoption Center and to assist in the development of the most cost-effective plans and specifications for the project. Durotech was awarded a contract for Preconstruction Services in June 2020 with the future intent to amend that contract to include Construction Phase Services upon receipt of an acceptable GMP.

Current Status

On September 9, 2020 Durotech received sub-contractor bids for all sub-contractor work packages drawn from a list of pre-approved sub-contractors and vendors. Durotech provided transparent access to all bids and carried expectation of awarding packages to the lowest responsible bidder. After all scope clarifications and final cost/scope negotiations with each sub-contractor were completed, Durotech provided the City with a statement of cost for the CMAR's Guaranteed Maximum Price (GMP). Durotech's final submitted GMP for Fire Station # 4 totaled \$7,379,161. The CMAR's final submitted GMP for Animal Shelter and Adoption Center totaled \$8,475,561 which is approximately 8% lower than the advertised estimate included with the Request for Proposal issued in February 2020. Costs include all sub-contracts, material and equipment purchases (excluding FF&E), general conditions, bonds and insurance, and the CMAR's construction management fee (3.38% for Fire Station 4 and 2.46% for Animal Shelter). Both general conditions and construction management fees were approved at the initial award. The GMP represents the benefit of the CMAR process which has gained increasing popularity as a project delivery model in both public and private industry within the past decade. CMAR's early involvement improves the design through its insights on constructability, value engineering, cost estimating, and schedule. The CMAR process also reduces the risk for change orders outside of owner driven scope changes. **Specific to this project, trades were able to develop bids with the expectation of being awarded both facilities, which ultimately lowered cost.**

The project was developed with the use of one CMAR for the very reason to control costs by having one general contractor managing both project sites. The facilities are literally next to each other and were designed to be built together maximizing the use of the area and the driveway reconfigurations. The facilities will be presented to Council in two resolutions for the purpose of cost tracking and transparency. The GMPs are based on both projects being awarded together. Should the facilities not be awarded together there are cost consequences because the site work for driveways and traffic patterns will need to be re-designed and we will lose economy of scale savings as a result of multiple sub-contractors being awarded both contracts. The implications for awarding one and not the other will be about a 4-6% cost increase, depending on the facility, for construction costs and additional engineering/architectural costs to redesign the site civil. The cost savings are a result of the CMAR process and the economy of scale for sub-contractors due to multiple buildings.

The FF&E for Fire Station # 4 and Animal Shelter is \$264,000 and \$600,000 respectively. The budgeted costs will cover technology associated City's internal IT department, furniture, and equipment specific to the Fire Station and Animal Shelter. The FF&E will be brought back to Council for approval at the appropriate time for installation as construction progresses.

The City conducted due diligence analysis of cost of Animal Shelters in Texas as well as out of state facilities to confirm that the GMP construction cost is in an acceptable range. The information is broken down below. Included is the recently the recently bid Baytown Animal Shelter (see associated article attached).

Project Name	Public/Private	Square footage	Soft Costs* (Design/FFE)	Construction Cost*	Construction Cost/SF	Total Cost	Total Cost/SF	Bid Status
Loudoun County, VA Animal Services	Public	22,500	\$2,800,000	\$18,500,000	\$822.22	\$21,300,000	\$946.67	Bid Early 2019
Sugar Land Animal Shelter (estimated)	Public	17,208	\$500,000	\$9,000,000	\$523.01	\$9,500,000	\$552.07	Scheduled for 2022
Midland, Tx	Public	18,000	\$476,200	\$8,958,000	\$497.67	\$9,434,200	\$524.12	Bid 12/2019
Baytown, Tx	Public	14,034	\$828,545	\$6,523,984	\$464.87	\$7,352,529	\$523.91	Bid 9/2020
Animal Rescue League of Western PA	Private	34,500	\$1,779,000	\$15,180,365	\$440.01	\$16,959,365	\$491.58	2017
Shari D Colman Animal Shelter	Public	21,520	\$1,369,565	\$8,475,561	\$393.85	\$9,845,126	\$457.49	Bids 9/2020
Harris County Pets Adoption Center and Clinic	Public	55,000	\$2,150,000	\$21,500,000	\$390.91	\$23,650,000	\$430.00	Bid fourth quarter 2018
League City, Tx	Public	13,000	\$1,320,767	\$4,632,955	\$356.38	\$5,953,722	\$457.98	Bid 12/2018

*Amounts included in Soft Cost versus Construction cost varies between entities and is difficult to distinguish. Some entities also include Soft Costs in operational funds in lieu of project costs.

League City project note: Project was bid in December 2018. A two-year inflation factor of 5% estimates that facility would bid at approximately \$392/SF today.

Next Steps

Staff has reviewed the results of the bidding process and the complete GMP package submitted by the CMAR and on October 12, 2020 staff will recommend that Council amend the CMAR contract to include Construction Services. The Total GMP for the each of the facilities is the following not to exceed amount of \$7,379,161 for the Fire Station 4 and \$8,475,561 for the Animal Shelter. The amendment to the existing contracts for construction services will be \$6,958,930 for the Fire Station 4 and \$8,014,795 for the Animal Shelter. Upon approval, staff will issue an immediate Notice to Proceed (NTP) commencing applicable services for both projects.

Budget Info

Animal Shelter:

Funding Sources	Series	To Date	Future	Total Budget
General Revenue - Cash		12,000		12,000
Certificates of Obligation		150,000		150,000
Certificates of Obligation				-
General Obligation Bonds	2020	1,534,000	11,341,000	12,875,000
General Obligation Bonds				-
W/S Revenue Bonds				-
Impact Fee - Debt				-
Other Funding Sources				-
Total Funding Sources		1,696,000	11,341,000	13,037,000

Expenditures	To Date	Future	Total
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PER	20,240		20,240
Land			-
Design	769,565		769,565
Construction	460,766	8,014,795	8,475,561
Construction Management/Inspection			-
Construction Materials Testing		45,835	45,835
FF&E		600,000	600,000
Total Expenditures	1,250,571	8,660,630	9,911,201

Project Balance/Contingency (24% of Project Budget)	3,125,799
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Fire Station 4:

Funding Sources	Series	To Date	Future	Total Budget
General Revenue - Cash				-
Certificates of Obligation	2020A	1,435,000		1,435,000
Certificates of Obligation			7,184,000	7,184,000
General Obligation Bonds				-
General Obligation Bonds				-
W/S Revenue Bonds				-
Impact Fee - Debt				-
Other Funding Sources				-
Total Funding Sources		1,435,000	7,184,000	8,619,000

Expenditures	To Date	Future	Total
PER			-
Land			-
Design	616,525		616,525
Construction	420,231	6,958,930	7,379,161
Construction Management/Inspection			-
Construction Materials Testing		36,382	36,382
FF&E		264,000	264,000
Total Expenditures	1,036,756	7,259,312	8,296,068

Project Balance/Contingency	322,932
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Schedule Info

Construction time for the project, which consist of both facilities, from Notice to Proceed to substantial completion is 13 months with an additional 60 days for final completion & Owner move-in. An assumed NTP of October 2020 would place owner move-in December 2021.

	<i>Base Line</i>	<i>Current</i>
<i>Design Start</i>	July-19 October-19	August-19 November-19
<i>Bid Start</i>	February-20	February-20
<i>Construction Start</i>	October-20	

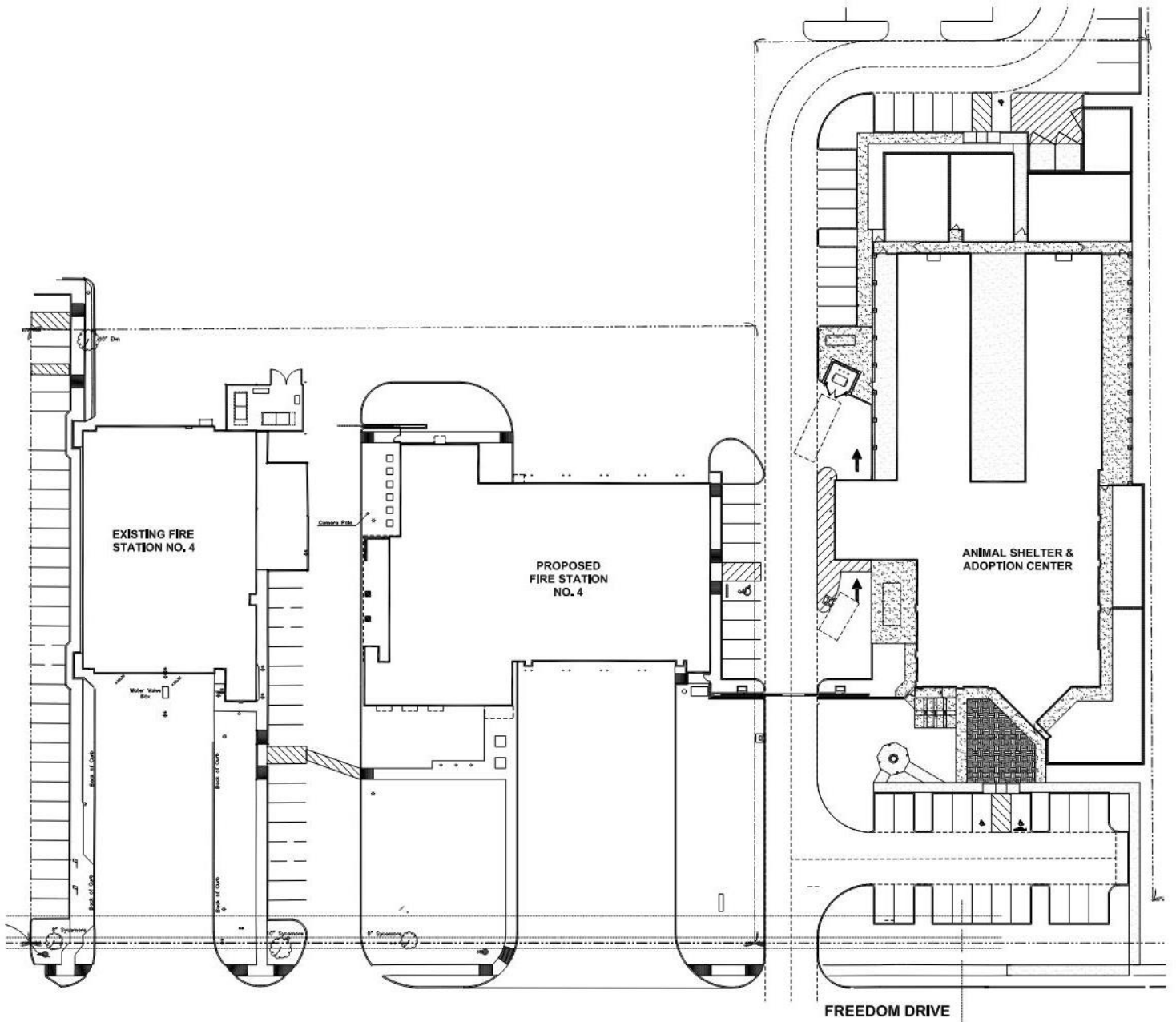
Proposed Construction Completion

December-21

This project is being procured through the Construction Manager at Risk (CMAR) process. The original base line schedule was projected using the design-bid-build process.

Previous Memo: 6.20.2019 (2019 Bond Projects), 9.12.2019, 5.28.2020, 8.20.2020

Project Map (Site Layout):



Fire Station # 4:



Shari D. Coleman Animal Shelter and Adoption Center:



Company selected to build animal shelter

baytownsun.com



After considering eight proposals from companies interested in building the city's new animal shelter, the city has selected Construction Masters, Inc. for the \$6.5 million project.

Andrea Brinkley, the city's assistant director of capital projects, said it selected the company based on the best value consideration, not necessarily the best price.

Using evaluation criteria and the answers provided to the department by the bidding contractors, Brinkley said this assisted in choosing Construction Masters as the one to build the shelter.

The criteria were based on cost, the ability to meet schedule, their experience and qualifications, experience with subcontractor and similar projects, past reputation, ability to deliver the project on schedule, and the quality

assurance and safety programs. The prices proposed were between \$6.2 and \$6.6 million.

"It was a tightly packed consideration," Brinkley said.

Brinkley added Construction Masters received 90 out of 100 points.

“Based on that, we looked at the consideration of cost and found advantageous pricing,” she said. “They were able to add back certain things into the project that were important, such as shade canopies and ‘get to know you’ areas. And we looked at the pricing for concrete paving, lighting, and drainage, and we were able to successfully negotiate a post-bid amendment with a \$302,000 value.”

Brinkley said the value would hold until the end of construction.

Brinkley said the project’s construction duration is 494 days, about 16-and-a-half months. A small groundbreaking is planned for Oct. 9.

The new shelter will measure 12,066-square-feet and include a 62-dog and 78-cat capacity.

The new shelter will incorporate veterinary surgery space, room for pre-operation, recovery and medical check-in area, offices, a lobby, a two-vehicle garage, and drop-off space with pet adoption areas for both cats and dogs. An education room for pet owners is also included.

Mayor Brandon Capetillo said he was happy for the city to be able to provide a first-class facility with many amenities that are presentable to the taxpayers.

“We have outgrown our current facility, and now we can have one to be proud of,” Capetillo said.

Capetillo said he applauded Brinkley’s work and everyone that took part in the project.

“It is a nice facility, and we look forward to our Animal Service and Adoption Center and what it will do for our animal population in Baytown and our new programs,” Capetillo said. “We really turned the corner on how we approached things.”

Capetillo said the city had made a lot of headway with the shelter and its programs, such as the 2025 no-kill shelter plan.

“And we’ve done it a lot faster than I thought we would as a city,” he said. “With programming and the right partnerships, plus this facility, it will get us there even quicker.”

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