

Memorandum

City of Lawrence

Police Department

TO: Tom Markus, City Manager
CC: Diane Stoddard, Assistant City Manager
Casey Toomay, Assistant City Manager
Brandon McGuire, Assistant to the City Manager
Gregory C. Burns Jr., Chief of Police
Jeremy Willmoth, Finance Director
Scott McCullough, Planning and Development Director
Derek Rodgers, Director Parks and Recreation
FROM: Melinda Harger, MSO Assistant Director
Anthony Brixius, Police Captain
DATE: December 11, 2018
RE: Police Facility Construction Management Services

Background

The City of Lawrence has been considering a new police facility since 2011 when the facility needs assessment began. In 2016, the City Commission approved \$1.5 million dollars in the 2017 CIP for design and professional services of a police facility. The Police Department presented to the City Commission a phased approach to the police facility in April 2017. During the 2018 budget process, the City Commission approved a 1.25 mill levy increase, which included \$17 million to construct Phase I of a police facility. In September 2017, the City Commission adopted Resolution No. 7222, authorizing the construction of the new police facility and the issuance of general obligation bonds for up to \$18.5 million, not including financing costs. City Commission selected 5100 Overland Drive as the site for the police facility in December 2017.

In May 2018, the City Commission approved Construction Manager at Risk (CMAR) as the construction method for Phase I of the police facility and authorized staff to advertise a Request for Proposal for design services.

Construction Manager at Risk Services

City Commission approved the CMAR project delivery method for the Police Facility Phase 1 after finding it's in the public interest and provides the best value for the project. The Police Facility project is somewhat complex having multiple phases and a park included in the planning process. The facility has unique user needs and technical complexities making input from a contractor early in the process advantageous for both cost and design. Using the CMAR project delivery method provides early collaboration between the design team and the construction manager, includes a Guaranteed Maximum Price (GMP) contract with open book costing, and maintains a competitive bid process for significant elements of the project.

A Request for Proposals (RFP) for construction management services was developed outlining the project scope and the Expertise-Driven Project Delivery (XPD) process. The construction manager's scope of work for the CMAR delivery method includes construction administration,

construction supervision, inspection, equipment, labor, tools, materials, and overhead to complete the work of the project. During the preconstruction phase, the construction manager will provide recommendations on the design, constructability, cost, and schedule for the project and develop the GMP to construct the project. During construction, the construction manager will secure multiple bids for all materials, labor, and subcontracting as well as provide value engineering to assure the project is completed with the best pricing and value to the City.

Consultant Selection Process

A five-member selection committee reviewed the proposals and scored each proposal on criteria listed below using the XPD process. Scores were totaled, and firms were ranked by best score in order to select the construction manager. Contractors who submitted proposals include Kelly Construction Group, Turner Construction, McCarthy Building Companies, B.A. Green Construction, Trinium/Sletten Joint Venture, Sampson Construction, First Construction, Excel Constructors, Newkirk Novak Construction Partners, and Straub Construction. The committee members were: Anthony Brixius, Police Captain; Casey Cooper, Police Captain; Melinda Harger, Assistant Director of MSO; Mark Hecker, Assistant Director of Parks & Recreation; and Amanda Sahin, Transportation Engineer.

The first phase of the XPD process focused on each contractor's ability to differentiate itself from competing proposals. Contractors were evaluated based upon the ability to identify, prioritize, and minimize project risks, add differential value to the project, show a high level of past performance on behalf of other clients and similar projects, and propose a highly-qualified project team.

Proposals were prioritized based on the categories described below with only shortlisted contractors participating in the interviews. The execution methodology, risk assessment, and value assessment were evaluated and scored without disclosing the names of firms or individuals to the selection committee. The cost proposal and past performance surveys were evaluated numerically.

Evaluation Category	Maximum Points
Cost Proposal	35
Execution Methodology	10
Risk Assessment	15
Value Assessment	10
Past Performance Surveys (project team personnel)	05
Narratives of Related Experience	Pass/Fail
Interviews of Project Team Personnel (short-listed)	25
Maximum Total Points Possible:	100

Turner Construction was the firm with the highest overall score and was selected to move forward into the second phase of the XPD process, which is the clarification phase. A clarification phase is provided to ensure the selected firm had properly addressed and accounted for all aspects of the scope in their proposal. The selected firm was required to clearly present their implementation plan for the project, coordinate risk minimization solutions, clarify value assessment options, and identify specific support and resources that will be requested from the City throughout the project.

After the contract is awarded, post-award performance metrics will be measured continuously throughout the contract duration. The awarded firm will be required to monitor and track all risks (actual and potential deviations to the contract) on a regular basis.

Turner Construction has experience with the CMAR delivery method and has constructed numerous police facilities in the Kansas City area. Turner's projects include the Olathe Police Headquarters, KCMO North Patrol Police Station, and Gardner Justice Center. Past clients provided positive recommendations on the specific individuals proposed for this project and interviewed by the selection committee. Turner's expertise was evident by their approach to the project, proposed risk mitigation, and suggested value enhancements.

Project Budget & Construction Management Cost Proposal

The total approved project budget for planning, design, and construction is \$18.5 million. The City Commission's decision to use CMAR as the delivery method allows staff flexibility to make adjustments to the project based on accurate cost estimates provided at various stages of design. This flexibility will help deliver a project within budget. Staff will work with the design team and the construction manager to determine how to best meet the intended project goals and objectives.

Turner Construction submitted a cost proposal with a preconstruction fee of \$35,000, a construction phase services fee of 2.45% of the GMP, and a not-to-exceed General Conditions total cost of \$999,967. Turner's proposed fees were lower than the average among the ten proposals and lower than the second ranked firm. The future GMP Amendment to this agreement with Turner will include an itemized list of construction costs and the General Conditions.

Within the \$18.5 million project budget, \$600,000 has been reserved for construction phase professional services and direct expenditures, including special inspections. The budget also includes a project contingency of \$500,000 and the future GMP Amendment will include a portion of this contingency for the exclusive use of the City during construction.

Budget Description	Budget Amount
Design/Preconstruction Services	\$1,400,000
Construction Phase Professional Services & Direct Expenditures	\$600,000
Project Contingency	\$500,000
Construction	\$16,000,000
Total Project Budget	\$18,500,000

Project Schedule

Schematic Design & Design Development	Nov 2018 – Mar 2019
Construction Documents & Building Permits	Mar 2019 – Jul 2019
Construction (Early Site Bid Package)	Begin in May/Jun 2019
Facility Construction	Jul 2019 – Aug 2020

The police facility project is currently in the Schematic Design (SD) phase. The third of four planned community meetings will be held on Wednesday, December 19th. The SD cost estimates and planning submittals will be completed in January. The proposed site plan will be presented to the public at a community meeting in February. The final site plan will be brought to the City

Commission for approval in April 2019. The GMP will be determined by the summer of 2019, and construction will begin after the City Commission has approved the GMP Amendment. Construction of the new facility will be complete in the fall of 2020.

Recommendation

Authorize the City Manager to execute a construction management agreement with Turner Construction, in the amount of \$35,000 for preconstruction services, and 2.45% of the Guaranteed Maximum Price for Construction to be established later in 2019, for the Police Facility Phase 1, Project PD1803CIP.