

Board of County Commissioners

Workshop Agenda Request

Date of Meeting: February 17, 2009

Date Submitted: February 4, 2009

To: Honorable Chairman and Members of the Board

From: Benjamin H. Pingree, County Administrator
Timothy Barden, Assistant County Administrator
Ray Gray, Director, Parks and Recreation Division

Subject: This Agenda Item Requests Board Authorization for the Preparation of a Request for Proposal(s) based on Method of Construction As Directed by the Board of County Commissioners and Related Issues

Statement of Issue:

This Agenda Item Requests Board Authorization for the Preparation of a Request for Proposal(s) based on Method of Construction As Directed by the Board of County Commissioners. This item also seeks approval of a budget amendment to align funding for this project in preparation for its construction during FY08/09.

Background:

The county, in its search for viable properties to locate a community center, contacted the school system and researched state and federal land owned by Forestry as well as federal property owned by the postal service and smaller tracts from federal agencies. None of the research presented anything that would serve our purpose and meet the timeframe allotted. Several privately owned tracts with a central location, high visibility or ready access to major roads was only at sale for a premium and far outside the realm of funds desired to be expended. An extensive search of existing County owned property (Attachment#1) found 128 properties which were narrowed to 16 potential properties. Of these 16 potential properties, there were issues with right-of-way, sinks, runoff, too small or not accessible and one was found not to exist. The search did present 1 County owned property that staff feels to be the best location. It is 3.7 acres on Trice Lane adjacent to an additional 5 acres owned by the County, has ready access to all major roads and is surrounded by most of our major residential communities.

In staffs' research for funding, the most viable option for construction would be a short term, small interest loan from competing banks that can be retired rapidly through several existing funds (1 cent sales tax, facilities, impact fees, etc.), awarded grants and revenue generation from programs.

This facility location and its design allows for a new Fire and EMS station with quarters to move from a make shift location to professionally designed facilities that represent the image presented and

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will more efficiently serve the needs of an ever growing community.

Future expansion also allows for another property immediately behind this County owned parcel.

On November 18, 2005, Congressman Allen Boyd assisted Wakulla County in securing a Special Project Grant through the Department of Housing and Urban Development (HUD) Act of 2006 (PL-109-115) as described in the Congressional Record dated November 18, 2005 Grant Number B-06-SP-FL-0230 in the amount of \$396,000.00 for use in the construction of the Community Center.

On December 4, 2006, the Board gave approval of Wakulla County Resolution Number 06-064 (Attachment #2) authorizing the submission of an application for the Economic Development Initiative to HUD to initiate a Grant Agreement with Wakulla County requiring the facility to be constructed and all funds expended no later than September 30, 2013.

On April 18, 2007, the Board received a letter from HUD transmitting the Grant Agreement (Attachment #3) for construction of the Community Center. On June 4, 2007, the Board gave approval of the request for acceptance of the grant agreement authorizing the Chairman to execute the agreement and scheduled a workshop on June 18, 2007, to determine the location of the Community Center.

On August 6, 2007, the Board of County Commissioners gave direction to staff and the County Attorney to pursue acquisition/lease back the Wakulla Expo Association with options for suitable location of the Community Center.

On September 4, 2007, the Board of County Commissioners, as a follow up, directed staff and the County Attorney to pursue, through negotiation, acquisition/lease back with the Wakulla Expo Association including the Community Center being built on the Wakulla Expo Association property. Should these negotiations fail, the Medart Recreation park site would be designated for construction of the Community Center.

On November 19, 2007, a follow up report/agenda Item was presented at the Board meeting to acquire/lease back to Wakulla Expo Association property for construction of the Community Center. The Wakulla Expo Association had not supplied the required documentation requested by the Board.

On December 11, 2007, the Board ranked the Community Center as one of their priorities at their Retreat. On January 2008, the Board accepted a status report on the negotiation process with the Wakulla Expo Association. On April 21, 2008 the Board directed staff to continue negotiations with

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the Wakulla Expo Association for the placement of the Community Center and bring back a final agreement. On June 20, 2008, the Wakulla Expo Association notified the County that they were withdrawing their negotiation efforts.

On May 5, 2008, the Board directed staff to move forward with identifying a location for the Community Center in the heart of Crawfordville. On June 20, 2008, the Board directed staff to explore a central location in the Crawfordville Area for future Board consideration.

On August 4, 2008, the Board of County Commissioners gave approval to schedule a workshop on September 9, 2008 to discuss the Community Center.

On September 9, 2008, a workshop was held and staff presented a 3.7 acre site on Trice Lane that is owned by the County as the site for the Community Center. Also, several funding level options were presented for Board consideration. At the September 22, 2008 meeting of the Board of County Commissioners, the Board voted to ratify the actions from the September 2, 2008 workshop (Attachment #4). The workshop actions ratified included: approving the Community Center to be located at county owned Trice Lane property, approved Option 2 of the design concepts based on the funding level of \$2.8M with a 19,800 sq. ft. building, directed staff to pursue a set of plans and further cost analysis, authorized preparation of an RFP for Construction Management, and to look at the future needs of Fire and EMS.

On December 8, 2008, the Board, at its Annual Retreat, approved the Community Center as one its 2009 Priorities.

Analysis:

In an effort to design the Community Center to meet the current and expanded needs with inclusion of a Fire/EMS facility, should additional funding for that component become available, the design of the original model should include two phases. Phase I, the initial Community Center as approved by the Board of County Commissioners at \$2.8M, with targeted 19,800 sq. ft. Phase II, the expanded Community Center at \$5.8M with 23,400 sq. ft. and a 17,400 sq. ft. Fire/EMS facility sharing use of a cooler system, common walls and extended roof structures. The Fire/EMS facility would include 3,500 sq. ft. of living space(traditional “station” model), 3,500 of office and sensitive equipment storage and a 5 dual access bays.

Funding Considerations

As previously stated, the Board approved a targeted funding level and size for the community center project of \$2.8 million dollars. The current funding included the FY2008/2009 Capital Improvement budget for the Community Center is as follows:

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<i>Funding Source</i>	<i>Amount</i>
HUD Grant-Community Ctr.	\$396,000
Impact Fees-Community Ctr.	\$160,000
Total:	\$556,000

In addition to the funds currently budgeted, there is funding available in other projects. In the FY2008/2009 budget, the Courthouse Expansion Project was budgeted for a total of \$1,222,419 from revenue sources that could be used either on the Courthouse or Community Center projects.

<i>Funding Source</i>	<i>Amount</i>
Impact Fees-Courthouse	\$165,419
Impact Fees-Courthouse	\$1,057,000
Total:	\$1,222,419

The total available funding for both projects is \$1,778,419. The Courthouse Expansion project is estimated to cost in excess of \$5 million dollars. There is insufficient funding currently budgeted to complete this project. To fund any deficit needed to complete the Courthouse Expansion, the County would need to obtain significant private loan funding. Combining the resources of these two projects would allow for the moving forward with the Community Center for Phase I with an option to expand into multiple phases at a future date when other funding resources become available. A budget amendment would need to be approved transferring the funding from the Courthouse Expansion project to the Community Center (Attachment #5).

The County, through the Federal Economic Stimulus Package for the Tallahassee Capital Region, requested funding for both the Community Center and the expansion of the Courthouse. If the economic stimulus funding does become available for either of these projects, then the budgeted funds currently set aside for these projects could be redirected toward other important capital projects at the Board's discretion.

There is a funding deficit of approximately \$1million dollars from the building size/plan that was approved by the Board estimated at \$2.8million and the \$1.77million that is available is current funds. This deficit could be bridged a numbers of ways.

- The County could pursue low interest rate loan funding and use infrastructure funding (i.e. One Cent Sales Tax, Impact Fees) to repay the loan over a period of no longer that 10 years.
- The size and scope of Phase I of the project can be reduced(i.e.a 19,800sq.ft building to a 15,000sq ft. building) to a level within the current funding available with an option to for future expansion

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- The Board can pursue a community initiative for donations for outfitting the completed facility.

Please note: The \$2.8 million funding level that the Board approved was a targeted estimate. The scope of Phase I will be refined in the coming months as the Board works with staff and seeks community input on a final design for the Community Center.

Building Options

One of the following three methods may be utilized by the County as the mechanism for construction of the new community center EMS/Fire facility. In each of the following methods the county may include of the following components:

- Leadership in Energy and Environmental Design (LEED) certification by the U. S. Green Building Council is a mandatory goal. The CM shall include consideration of this objective throughout the pre-construction phase and shall incorporate LEED and other environmental best management practices in the execution of the construction and management of the jobsite.
- Means and Methods to procure local labor force participation in all phases of the project
- Consideration will be based on qualifications and designs that will not exceed the Guaranteed Maximum Price (GMP).
- Each method of construction must be capable of providing performance and payment bonds for up to \$3M for phase I and \$6M for completion of phases I and II

Option #1

Traditional (Design-Bid-Build)

The design-bid-build approach is organized such that design must be complete before pricing and construction can begin. This method of construction requires a sufficient amount of time to advertise and select an architect that will deliver the construction drawing and design at 100% on all construction documents. The architect would be responsible for incorporating an engineer which would involve an additional timeframe for selection and permitting. The next step would be to advertise for general contractors to submit bids to do the work. The bid shall be awarded based solely on the lowest price.

The traditional method is considered high risk. In this method, the owner, the architect and contractor are brought together through a competitive, low bid process that sets-up inherently adversarial roles, which can often produce conflict and unsatisfactory results for the owner.

PROS:

- Architect answers directly to the owner

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- Allows most opportunity for owner input throughout the entire process
- Best method for cost, works well with tight budgets

CONS:

- Requires management of numerous prime contractors
- Most recognized for many change orders
- No value engineering
- Usually the longest method requiring the most time
- Any cost savings goes to the contractor not the owner
- Limited amount of local vendor participation

Option #2

Design/Build

This method of construction management utilizes a contract type where the construction team is known as the design-builder. They are responsible for taking a concept developed by the owner, completing the detailed design, and then pending the owner's approval on the design, they may proceed with construction. The Architectural & Engineering (AE) in this method is apart of the construction team and answers to the Construction Manager (CM) not the owner. Many owners, particularly government agencies prefer the design-build contract because:

PROS:

- Reduced Cost. The construction team is motivated to work with the design team to develop a design with constructability in mind, i.e. find ways to reduce construction costs without reducing function of the final produce.
- Time Savings. By letting a design-build contract, the contractor is established, and early mobilization and construction activities area able to proceed concurrently with the design. (A traditional contract, construction cannot begin until **after** the design is finished, the project is bid and awarded, and the team can mobilize).
- Owner has one single point of contact who is fully accountable for the watertight performance of his facility
- Faster completion
- Reduced administrative burden
- Improved risk management

CONS:

- Least amount of input from owner in this method and the project is budget driven
- Once contract is awarded, no separate contract for the Architectural & Engineering (AE); this restricts a checks and balances system in an effort to fast track the project

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- Construction Manager prices the design
- Most Construction Manager (CMs) have previous sub-contractors they utilize, but this method provides an opportunity for local participation

The Design-Build construction method is best suited for projects:

- New or renovation projects that are highly schedule driven.
- Prototypical and repetitive projects.
- Highly specialized designs.
- Conventional Projects for which project requirements can be clearly defined and for which expertise is widely available.(i.e. classroom/office facility or dormitory complex).

Option #3

Construction Management At-Risk (Staff Recommended)

Construction Manager At-Risk (CMAR) is responsible exclusively to the owner and acts in the owner's interest at every phase of the project. Construction Management At-Risk is a delivery method which entails a commitment by the construction manager to deliver the project within the Guaranteed Maximum Price (GMP). The GMP for a project is usually negotiated at 50- 75% completion of the design phase and is fixed for the entire project. The GMP will not be exceeded without the owner requesting a change order.

The construction manager acts as consultant to the owner in the development and design phases, but as the equivalent of a general contractor during the construction phase. In addition to acting in the owner's best interest, the construction manager must manage and control construction costs to not exceed the GMP which would be a financial hit to the construction management company.

With the CMAR method, the construction of the project is the responsibility of the CMAR and the subcontractors selected through the pre-qualification low bid process. The reduction of the possibility of bid protests through the CMAR selection and the prequalification of the subcontractors, and the reduction in change orders due to CMAR and subcontractor review and involvement in the design phase are significant benefits to the CM at Risk project delivery method.

The Construction Manager At-Risk method is currently the construction method that has been approved by the Board and is on-going for the Wakulla County Courthouse Renovation Project.

The following highlight more potential benefits of a Construction Management At-Risk arrangement are:

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PROS:

- Budget Management of the Guaranteed Maximum Price(GMP)
- Construction Management and Architect are selected on qualifications affording a better Construction Manager (CM) and Architectural and Engineering (AE)
- Construction cost analysis and value engineering at multiple phases
- Allows most opportunity for local participation
- Maintaining positive working relationships among the owner, architect/designer and contractor
- Maximizes the awareness among owner, architect/designer and CM of all party's needs and expectations in order to perform their part of the project in the most efficient manner.
- Allows checks and balances between CM and AE to the best interest of the owner to avoid delays, changes and disputes
- Optimum use of available funds and any cost savings goes back to the owner
- AE answers directly to the owner
- Control scope of work and project scheduling
- Optimum flexibility in contracting and procurement
- Optimum use of design and construction firm's skills and talents to enhance the project design and construction quality

CONS:

- Schedule is fast tracked, but not as fast as Design-build method.

The Construction Management At-Risk Method as the selection of the RFP to allow the awarded vendor to aid in the design development, cost -analysis and construction of the facility. This delivery approach is best suited for:

- Larger or new renovation projects
- Projects which are schedule sensitive, difficult to define or subject to change
- Projects on which the owner needs a financial cost guarantee.

Summary

There are many options available for the construction of the Community Center. The most commonly used methods in this field have been outlined in this agenda request. Staff has researched literature and consulted with experts in the field of Construction Management to determine which would be the best method to use to complete the community center project. These methods have been vetted by the County Attorney to ensure the legality of each method can be procured within the guidelines set by the County's purchasing policy.

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Staff recommends Board approval for implementation of the Construction Manager At-Risk method because it allows the fast tracking of the project to meet the project time schedule and the community team approach the Board has expressed incorporating into this project. After a GMP is negotiated and the detailed design is completed for the critical elements of the project, selected stand-alone elements of the project can be put on a fast track for construction. CM at-Risk is an integrated concept that needs to be reflected in the owner's contracts with the CM Team. The process requires the communication and coordination of the entire team throughout the design, construction, and certification/start-up phases of the project. The CM at-Risk method is being used as the preferred method by many governments and school systems in the State of Florida.

Staff is also recommending that the best practices outlined on page #5 of the analysis be incorporated into the RFP process. Finally, staff is recommending approval of the attached budget amendment to position funding for this project's construction during 2009.

Should the Board approve a method of construction, staff is requesting authorization to draft an Request for Proposal(s) as necessary per the method chosen by Board. The RFP(s) will be brought back at future Board meeting for approval. The number of proposals needed will depend on the method chosen to be employed by the Board.

Options:

1. Board approval of Construction Management Services (At Risk) as the construction method and the drafting of Request for Proposals for the Construction Management Services (At Risk) and Architectural & Engineering Services based on the best practices outlined on page #5.
2. Approve Budget Amendment transferring funding from Courthouse Expansion Project to the Community Center Project and direct staff on preparing Phase I construction RFP documents are actionable at the \$1.77 million(funded) or the full \$2.8million estimated level to include analysis of loan costs for this gap.
3. Do not approve Construction Management Services (At Risk) as the construction method and do not approve the drafting of Request for Proposals for the Construction Management Services (At Risk) and Architectural & Engineering Services and do not approve Budget Amendment transferring funding from Courthouse Expansion Project to the Community Center Project
4. Board Direction

Recommendation:

Option #1 & #2

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Attachments:

- 1) County Owed Property Listing
- 2) Resolution Number 06-064
- 3) Community Center Grant Agreement
- 4) September 22, 2008 Agenda Item.
- 5) Budget Amendment

BP:TB:RG:vad