

**AGENDA**



<b>RCA - CLMD</b>	Austin City Council	<b>Item ID:</b>	6476
-------------------	---------------------	-----------------	------

<b>Meeting Date:</b>	May 26, 2011
----------------------	--------------

<b>Department:</b>	Contract and Land Management
--------------------	------------------------------

**Subject**

Authorize negotiation and execution of Amendment No. A-2 (Long Lead, Civil Structural and Main [Interior] Work Components) to the Construction Manager at Risk Agreement with DPR CONSTRUCTION, INC., Austin, TX, for the Austin Energy System Control Center Project in the amount of \$58,152,220. The total Guaranteed Maximum Price ("GMP") including all Work Components of the Agreement is \$60,390,710. In addition to the previously approved Owner's contingency of \$46,000, an additional \$1,500,000 is requested for a not-to-exceed authorization amount of \$61,936,710.

**Amount and Source of Funding**

Funding is available in the Fiscal Year 2010-2011 Capital Budget Austin Energy.

**Fiscal Note**

A fiscal note is attached.

<b>Purchasing Language:</b>	
-----------------------------	--

<b>Prior Council Action:</b>	April 7, 2011 – Approved Work Component Amendment No. 1 for Demolition and No. 2 for Site Facilitization to the Construction Manager at Risk Agreement (CM@ R) with DPR Construction, Inc., Austin, TX; March 5, 2009 – Approved CM@ R Agreement with DPR Construction, Inc. for Preconstruction Phase Services; June 21, 2007 - Approved use of CM@ R Alternative Project Delivery Method.
------------------------------	---

<b>For More Information:</b>	Laura Lee Franks 322-6854; Lynda Williams 974-3066; April Shaw 974-7141.
------------------------------	--

<b>Boards and Commission Action:</b>	Recommended by the Electric Utility Commission.
--------------------------------------	---

<b>MBE / WBE:</b>	This contract will be awarded in compliance with Chapter 2-9A of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For Work Component No. 03 – Long Lead Electrical Equipment, the Small and Minority Business Resources Department reviewed the scope and made the determination that "no goals" will be established for this equipment solicitation. For Work Component No. 04 - Civil, Structural, Landscaping and Irrigation, MBE/WBE goals established were 1.95% African American; 4.84% Hispanic; 1.08% Native/Asian; and 2.84% WBE. For Work Component No. 05 - Main (Interiors), MBE/WBE goals established were 1.11% African American; 2.37% Hispanic; 1.11% Native/Asian; and 1.72% WBE.
-------------------	---

<b>Related Items:</b>	
-----------------------	--

**Additional Backup Information**

**PROJECT BACKGROUND AND OVERVIEW:** In October 2005, the City Manager was directed by City Council to relocate the existing Energy Control Center (ECC) from its West Avenue location so that the property could be incorporated into the Seaholm and downtown redevelopment efforts. In July 2007 Austin Energy (AE) purchased an existing building and surrounding 12 acres from Tokyo Electron located at 2500 Montopolis Drive with the objective of using this property for the ECC relocation project. This new facility, the System Control Center (SCC), will house current ECC employees as well as several other compatible workgroups within Austin Energy.

When complete, the existing building will increase in size from 120,000 to 174,000 square feet. Also, a new 18,000 square foot building will be built to house AE's Distribution Construction Maintenance group as well as provide a covered area for bucket trucks. These facilities will provide Austin Energy with state of the art control and data centers needed to meet North American Reliability Corporation (NERC) standards. Additionally, the SCC will provide laboratory and development spaces required to support advancement of the Smart Grid and will meet the current standards for physical security appropriate to the industry.

Both existing and new buildings will support photovoltaic (PV) systems which are expected to generate approximately 517 kW and 144 kW of power, respectively. When installed these will be the largest rooftop PV installations in Austin Energy's portfolio.

The SCC project is targeting a LEED silver certification for design and construction. This project supports Austin Energy's commitment to renewable energy as stated in Austin Energy's 2003 Strategic Plan and the Austin Climate Protection Plan. The Strategic Plan calls for Austin Energy to implement a highly visible public awareness and education program involving the installation of photovoltaic projects at schools, libraries, community centers, and city buildings. Additionally the SCC project is participating in the City's Art in Public Places initiative.

DPR Construction, Inc., the Construction Manager At-Risk (CM@ R) for the remodel and development of this new SCC is actively engaged in preconstruction phase services including constructability reviews, value engineering, cost estimating, and bidding construction work packages. This request for Council authorization is for the second and final Amendment for the construction of the new System Control Center. This Amendment A-2 is comprised of the last three work packages – No. 03 – Long Lead Electrical Equipment and No. 04 – Civil, Structural, Landscaping and Irrigation, and No. 05 – Main (Interiors).

**AMENDMENT A-2 OVERVIEW:** DPR Construction, Inc. solicited and received bids for all three remaining construction work components: Work Component No. 03 – Long Lead Electrical Equipment, Work Component No. 04 – Civil, Structural, Landscaping and Irrigation, and Work Component No. 05 – Main (Interiors). The work components consist of purchase and delivery of specialized electrical equipment and multiple trades and scopes of work to be performed at or inside the existing System Control Center. These three work components are the remaining solicitation packages for the Austin Energy System Control Center.

The solicitations were advertised in the Austin American Statesman, Austin Bid Brief, DPR's ftp site, and in various plan rooms including but not limited to the Associated Builders and Contractors, the Associated General Contractors, and the City of Austin's SMBR Construction and Technology Center, Asian Contractor Trade Association, the U.S. Hispanic Contractors Association de Austin, and the Metropolitan United Black Contractors.

For Work Component No. 03- Long Lead Electrical Equipment, DPR Construction, Inc. issued solicitation package on October 8, 2010 and rebid on January 31, 2011. A pre-bid meeting was conducted on February 8, 2011. For Work Component No. 04 – Civil, Structural, Landscaping and Irrigation, DPR Construction, Inc. issued the solicitation package on November 17, 2010 and rebid on January 31, 2011. Pre-bid meetings were held on November 30, 2010, December 1, 2010, and February 8, 2011. Bids for both work components were opened on February 15, 2011 and 9 bids were received for the Long Lead Electrical Equipment and 27 bids were received for the Civil, Structural, Landscaping and Irrigation.

For Work Component No. 05 – Main (Interiors), DPR Construction, Inc. issued the solicitation package on December 8, 2010. Two prebid meetings were held on December 13, and 14, 2010 and were attended by 95 individuals over the two days. On January 18, 2011, proposals/bids were received from 163 subcontractors.

Authorize negotiation and execution of Amendment No. A-2 (Long Lead, Civil Structural and Main [Interior] Work Components) to the Construction Manager at Risk Agreement with DPR Construction, Inc., Austin, TX, for the Austin Energy System Control Center Project in the amount of \$58,152,220. The total Guaranteed Maximum Price ("GMP")

(including all Work Components) of the Agreement is \$60,390,710. In addition to previously approved Owner's contingency of \$46,000, an additional \$1,500,000 is requested for a not-to-exceed authorization amount of \$61,936,710.

**CONSTRUCTION MANAGER AT RISK AGREEMENT - TOTAL GUARANTEED MAXIMUM PRICE**

**RECAP:** The total Guaranteed Maximum Price (GMP) for the Austin Energy System Control Center is \$60,390,710 comprised of Preconstruction Phase Services and five Work Components: No. 01 – Demolition, No. 02 - Site Facilitization (previously approved by Council) and Work Components No. 03 – Long Lead Electrical Equipment, No. 04 – Civil, Structural, Landscaping and Irrigation, and No. 05 – Main (Interiors) which make up this request. The following table recaps the GMP:

Item	Description	Amount	Council Approval
Execute Agreement	Preconstruction Phase Services	\$145,000	March 5, 2009
Amendment A-1	Partial GMP including Work Components No. 01 Demolition and No. 2 Site Facilitization	\$2,093,490	April 7, 2011
Amendment A-2	Partial GMP including Work Components No. 03 Long Lead Equipment, No. 04 Civil, Structural, Landscaping, and No. 05 Main (Interiors)	\$58,152,220	RCA May 26, 2011
<b>CM@R Agreement</b>	<b>Guaranteed Maximum Price</b>	<b>\$60,390,710</b>	

**TOTAL PROJECT AUTHORIZATION INCLUDING OWNER'S CONTINGENCY:** This RCA includes authorization for an additional \$1,500,000 Owner's project contingency funding for any unforeseen circumstances and to allow for expeditious processing of change orders, if required. The following table recaps the total authorization:

Item	Description	Amount	Council Approval
Execute Agreement	Preconstruction Phase Services	\$145,000	March 5, 2009
Amendment A-1 to the Agreement	Partial GMP including Work Components No. 01 Demolition and No. 2 Site Facilitization	\$2,093,490	April 7, 2011
Owner's Contingency	Owner's project contingency in addition to A-1	\$46,000	April 7, 201
Amendment A-2 to the Agreement	Partial GMP including Work Components No. 03 Long Lead Equipment, No. 04 Civil, Structural, Landscaping, and No. 05 Main (Interiors)	\$58,152,220	RCA May 26, 2011
Owner's Contingency	Owner's project contingency in addition to A-2	\$1,500,000	RCA May 26, 2011
	<b>Total Current Authorization</b>	<b>\$61,936,710</b>	

**RECOMMENDATION:** Authorize negotiation and execution of Amendment No. A-2 (Long Lead, Civil Structural and Main [Interior] Work Components) to the Construction Manager at Risk Agreement with DPR Construction, Inc., Austin, TX, for the Austin Energy System Control Center Project in the amount of \$58,152,220. The total Guaranteed Maximum Price ("GMP") including all Work Components of the Agreement is \$60,390,710. In addition to the previously approved Owner's contingency of \$46,000, an additional \$1,500,000 is requested for a not-to-exceed authorization amount of \$61,936,710.

**AMENDMENT A-2 TO CONSTRUCTION MANAGER AT RISK AGREEMENT - COST BREAKDOWN:**

Work Component	Title	Amount
No. 03	Long Lead Electrical Equipment	\$7,623,140
No. 04	Civil, Structural, Landscaping and Irrigation	\$5,874,798
No. 05	Main (Interiors)	\$34,485,631
	Construction Contingency	\$1,591,970
	<b>COST OF THE WORK WITH CONSTRUCTION CONTINGENCY</b>	<b>\$49,575,539</b>
	General Conditions	\$2,811,555
	Bonds and Insurance	\$692,814

<b>TOTAL COST OF THE WORK &amp; GENERAL CONDITIONS</b>	<b>\$53,079,908</b>
CM's Fee (2.9%)	\$1,391,523
Subguard Insurance	\$543,414
Allowances (including fee)	\$3,137,375
<b>PARTIAL GMP - AMENDMENT NO. A-2</b>	<b>\$58,152,220</b>

**MBE/WBE SUMMARY:** The Small and Minority Business Resources Department (SMBR) reviewed the requirements of Bid Package No. 3 – Long Lead Electrical Equipment and made the determination that “no goals” would be established for this solicitation. For Bid Packages No. 4 – Civil, Structural, Landscaping & Irrigation and No. 5 – Main Interiors, SMBR set goals for these solicitations and approved the Compliance Plan submitted by the CM@ R, which exceeds the goals as outlined below:

<b>Bid Package No. 4 - Civil, Structural, Landscaping &amp; Irrigation</b>	<b>M/WBE Solicitation Goals</b>	<b>M/WBE Compliance Plan</b>
MBE TOTAL - SUBCONSULTANT	7.87%	18.18%
African American Subtotal	1.95%	2.12%
Hispanic Subtotal	4.84%	10.42%
Native/Asian Subtotal	1.08%	5.64%
WBE TOTAL - SUBCONSULTANT	2.84%	4.51%

<b>Bid Package No. 5 - Main Interiors</b>	<b>M/WBE Solicitation Goals</b>	<b>M/WBE Compliance Plan</b>
MBE TOTAL - SUBCONSULTANT	4.59%	6.657%
African American Subtotal	1.11%	2.469%
Hispanic Subtotal	2.37%	2.98%
Native/Asian Subtotal	1.11%	1.208%
WBE TOTAL - SUBCONSULTANT	1.72%	5.527%