



MEMORANDUM

TO: Mayor and Council

FROM: Robert Hinojosa, P.E., Interim Director, Public Works Department

DATE: June 17, 2016

SUBJECT: New Central Library (NCL) and Related Improvements - Project Update

The purpose of this memorandum is to provide an update on both the New Central Library Project and Seaholm Art Wall Project and to provide clarification on two Requests for Council Action on the June 23, 2016 Council agenda. As work continues toward completion on the Projects, adjustments to the projects' design contracts will be required.

New Central Library

Council is being asked to provide \$1,300,000 of additional contract spending authority for the continued performance of professional services necessary for the completion of this project. This \$1.3 million is available in the current fiscal year budget of the Library Department. These funds will not affect programs or services. The funds will come from cost savings on operational contracts and commodities, which will be deferred to the next budget year.

While construction of the project is progressing, the presently anticipated Substantial Completion date for the delivery of a finished building has moved from March to November of 2016. This will ultimately move the opening date of the Library until spring of 2017. Accordingly, Lake|Flato and Shepley Bulfinch, the project's design consultant (the "Consultant"), will be required to provide six months of construction administration services beyond its contractual completion date. These services include reviewing contractor submittals, addressing design issues, clarifying and interpreting contract documents, facilitating progress, and recording a set of changes that occur during construction. The timing of this agenda item is critical to moving the project forward and maintaining the anticipated completion schedule.

Taking into account the current contract budget, the authorization being requested is necessary to complete the Project. While both the Consultant and the City have asserted claims on the Project, the

claims will not be resolved until the Project approaches completion. It is the City's position that the consultant is at least partially responsible for Project delays and it is the Consultant's position that it is owed compensation for other services and increased costs. The parties have agreed to a reservation of rights agreement to preserve their respective positions as the Project continues to progress. While it is anticipated that the City will recover and offset some of its costs, any such recovery will not occur in time to postpone the requested funding action.

In addition to the present request for design contract funding authorization, staff will likely bring a request for an increase in the construction cost limitation for the Hensel Phelps construction contract later this year as multiple project change order requests and claims are addressed.

NADAAA & the Art Wall Project

In a separate item on the June 23 agenda, Council is also being asked to approve the ratification of an amendment to the contract with NADAAA, Inc., for additional design work in the amount of \$18,482.81. The additional design work was necessary to address unforeseen conditions, to provide for the abatement of contaminated materials, and to address funding limitations. Public Works directed the work to address Austin Energy's safety and security concerns and to avoid a schedule conflict with the NCL Project that could have resulted in additional costs on the NCL Project. Funding is available from the Economic Development Department's budget. No further adjustments are anticipated on this project.

Should you have any questions, please contact Cindy Jordan, Project Manager at 512-974-7183.

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