**Recommendation for Council Action (CCO)**

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<th>Austin City Council</th>
<th>Item ID: 64869</th>
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**Meeting Date:** December 1, 2016

**Department:** Capital Contracting Office

**Subject**

Authorize additional funding for the New Central Library Project Construction Manager at Risk Contract with HENSEL PHELPS CONSTRUCTION COMPANY in the amount of $5,550,000, for a revised contractual Construction Cost Limitation not to exceed amount of $126,605,934, for the construction of the New Central Library and Related Improvements including 2nd Street Bridge, Utilities, Roadway Improvements, Shoal Creek Greenbelt Improvements, and the Seaholm Substation Art Wall. (District 9)

**Amount and Source of Funding**

Funding in the amount of $4,550,000 is available in the Fiscal Year 2016-2017 Capital Budget of the Austin Public Library Department. Funding in the amount of $600,000 is available in the Fiscal Year 2016-2017 Capital Budget of Austin Energy. Funding in the amount of $400,000 is available in the Fiscal Year 2016-2017 Capital Budget of the Public Works Department.

**Fiscal Note**

A fiscal note is attached.

**Purchasing Language:**

Original contract was awarded to Hensel Phelps Construction through the Construction Manager-at-Risk process.

**Prior Council Action:**

- November 20, 2014 – Council approved of revised Contractual Construction Cost Limitation for the Seaholm Substation Art Wall.
- April 17, 2014 – Council approved revised Contractual Construction Cost Limitation.
- May 9, 2013 – Council approved Construction Cost Limitation and a guaranteed maximum price for the New Central Library and Related Improvements.
- October 18, 2012 – Council approved an amendment for additional Preconstruction Phase Services with Hensel Phelps Construction Company.
- January 26, 2012 – Council approved an amendment for additional Preconstruction Phase services with Hensel Phelps Construction Company.
July 29, 2010 – Council approved Construction Manager At Risk contract with Hensel Phelps Construction Company.

March 6, 2008 – Council authorized use of the Construction Manager at Risk as project delivery method.

For More Information: Rolando Fernandez 512-974-7749; Sarah Torchin, 512-974-7141; Lynda Williams 512-974-3066; Cynthia Jordan 512-974-7183.

Boards and Commission Action: November 14, 2016 - Recommended by the Electric Utility Commission on a vote of 9-0 with Commissioner Mahmood absent and one vacancy.

Related Items: MBE / WBE:

This contract was awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) with 7.69% MBE and 3.02% WBE participation to date. Current and Future work packages for Construction Phase Services MBE/WBE goals are: 2.07% African American; 7.26% Hispanic; 0.80% Native/Asian; and 2.44% WBE.

Additional Backup Information

The New Central Library and Related Improvements Project (the “Project”) includes three distinct elements: the New Central Library, the 2nd Street extension (including a bridge over Shoal Creek and the related improvements to Shoal Creek Greenbelt), and a new artistic perimeter screen wall around the Seaholm Substation. The interrelated nature of these project elements and their overlapping work zones required the work to be consolidated under a single Construction Manager at Risk agreement with Hensel Phelps Construction Company.

In May 2013, staff received Council authorization to proceed to construction phase services by approval of a Construction Cost Limitation for the Project in the amount of $111,900,000 which included $2,600,000 Owner Contingency for unforeseen conditions, scope changes, code interpretation, etc. This amount was based on an estimated cost provided by Hensel Phelps based on drawings completed at the 60% level. In June 2013, early work elements commenced on site under the first Guaranteed Maximum Price Amendment.

In January 2014, the second Guaranteed Maximum Price Amendment was approved and work commenced for the library’s concrete and steel structures, mechanical, electrical, and plumbing systems, building envelope construction, masonry, metal siding, and glazing, the 2nd Street bridge, and mechanically stabilized earth wall construction.

In April 2014, Council authorized a revised Construction Cost Limitation increasing it by $5,351,861 which was based on a revised estimated construction cost provided by Hensel Phelps based on drawings completed at the 90% level. The total estimated construction cost was above the authorized Construction Cost Limitation set in May 2013.

In May 2014, the third Guaranteed Maximum Price Amendment was approved and work commenced for the remaining work associated with the library and 2nd Street. Specifically, Library finishes, site concrete and landscaping, 2nd Street roadway construction, the Shoal Creek Greenbelt landscaping, and the Seaholm Substation Art Wall foundation.

In November 2014, Council authorized a revised Construction Cost Limitation increasing it by $2,852,073 for construction of the perimeter screen art wall around the Seaholm Substation. Soon thereafter, the fourth and final Guaranteed Maximum Price Amendment was approved for the art wall included colored concrete posts, precast concrete bases and steel corrugated perforated metal panels with mini-mesh infill panels, and mini-mesh metal fencing along the east side.
This Request for Council Action revises the Construction Cost Limitation to provide additional funding authorization for the New Central Library and Related Improvements project with Hensel Phelps Construction Company, Construction Manager at Risk, for a total not to exceed authorization of $126,605,934. The Construction Cost Limitation is not the contract amount, but rather a budget threshold for which the final contract amount shall not exceed without prior Council approval. The Construction Cost Limitation is an amount which includes all work performed by the Construction Manager consisting of Preconstruction Phase Services and Construction Phase Services, including fees and construction contingencies.

This need for additional authorization is due to a few contributing and significant factors including: inclusion of a photovoltaic system on the library roof, increase in construction costs to address building and life safety code requirements; and minor user departments’ requests such as the added electrical connectivity for the Library Department’s newly acquired Book Mobile.