



## Memorandum

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**File #:** 18-00316

City Council

8/9/2018

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### **ADD-ON LEGISLATIVE ACTION ITEM**

**SPONSOR:** Ashton J. Hayward, III, Mayor

**SUBJECT:**

BAYVIEW COMMUNITY RESOURCE CENTER ARCHITECTURAL AND ENGINEERING SERVICES

**RECOMMENDATION:**

That City Council approve the cost breakdown as outlined by Caldwell Associates for the rebid of the Bayview Community Resource Center and authorize the acceptance of the additional architectural and engineering services.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

On April 2, 2016 the City issued a Request for Qualifications (RFQ) for architectural and engineering services for the new Bayview Community Resource Center. City Council awarded the contract to Caldwell Associates at its January 12, 2017 meeting. Questions raised at that meeting about the total cost of construction were addressed on January 23, 2017 at a City Council workshop. In that meeting the City's Chief Financial Officer confirmed that the project was estimated to cost \$8.25 million but that the actual cost would not be known until the City received the bids for construction. On September 20, 2017 City Council approved the Fiscal Year 2018 budget which included LOST funding in the amount of \$8.25 million for the Bayview Community Resource Center.

On March 30, 2018, the City issued Invitation to Bid #18-009 for the construction of the new Bayview Community Resource Center. On May 1, 2018 bids were received and opened from Hewes & Company, LLC, Green-Simmons Company, Inc. and A. E. New, Jr., Inc. The apparent low bidder, Hewes & Company, LLC subsequently withdrew their bid due to an error in the bid calculation, therefore, Green-Simmons Company was the lowest bid. Total cost of the project based on lowest bid was \$9.585 million.

On June 14, 2018 City Council set a maximum expenditure for the Bayview Community Resource Center of \$8.25 million and required the architect to modify the design so that it would not exceed the budgeted amount. Council also requested that a modified AIA contract be presented for approval. Based on City Council direction, staff has reviewed options with Caldwell Associates to bring the total project costs under the \$8.25 million maximum expenditure set by Council at the June 14, 2018 meeting. Project cost, based on a thirty day redesign period, reflects a \$6.066 million construction budget, a \$418,544 construction cost escalation and a \$303,300 contingency. In order to accomplish this the following changes will need to be made to the original design of the Bayview Community Resource Center.

- Reduction in size of main lobby, reducing overall building size by 5,476 square feet.
- Reduction in size of underground stormwater tanks due to the reduction in building size.
- Reduction in size of mechanical system equipment due to the reduction in building size.
- Removal of deck adjacent to the main lobby due to the reduction in building size.
- Removal of kitchen and repurpose of area for office or storage.
- Removal of requirement to meet Green Globes.
- Removal of exercise facilities and equipment.

To further ensure that the project stays within Council approved budget, the following deductive alternates were identified.

- Deletion of perimeter walls at the storage boat area.
- Deletion of the outdoor access restrooms.
- Deletion of widening driveway and additional parking.
- Deletion of repairs planned for drive and curbs on the southeast side of senior center.
- Deletion of upgrades to existing parking area.
- Deletion of additional landscaping above code minimum.
- Deletion of upgraded brick color.
- Deletion of concrete sidewalks adjacent to boat dock.
- Deletion of concrete ramp and retaining wall adjacent to the boathouse.

The reductions and deductive alternatives listed will be evaluated in further detail during the redesign process to ensure maximum cost savings realized. This may involve incorporating additional reductions in finish material selections, and changing the site-related deductive alternates listed to incorporate them as base bid reductions.

With a thirty day accelerated redesign timeline, Caldwell Associates estimates the total revised cost for architectural and engineering services (from project inception) to be \$1,236,952. The \$385,252 increase in fees over the current budget will cover the cost associated with the accelerated redesign time frame, the cost of the redesign and rebidding assistance. Staff has reviewed options with Caldwell Associates to bring the total cost of architectural and engineering services down. One option would be to allow for a ninety day redesign timeline resulting in savings associated with the cost to accelerate the redesign. However, with an estimated 2.3% monthly increase in construction cost, a ninety day redesign could result in an additional \$279,036 in escalated project cost resulting in a total loss to the project greater than the cost to accelerate the redesign in the thirty day option.

#### **PRIOR ACTION:**

February 11, 2016 - City Council authorized funding for the rebuilding of Fire Station #3 and Bayview Resource Center from the One-Cent Local Government Infrastructure Surtax extension from January 1, 2018 through December 31, 2028 (LOST Series IV).

January 12, 2017 - City Council awarded a contract to Caldwell Associates Architects, Inc. of Pensacola for RFQ # 16-024 for Architectural and Engineering Services for the Construction of a Community Resource Center at Bayview Park, for an agreed upon fee of 7% of construction costs.

September 20, 2017 - City Council approved the Fiscal Year 2018 budget which included LOST funding in the

amount of \$8,250,000 for the Bayview Community Resource Center.

October 12, 2017 - City Council approved Resolution No. 17-65 authorizing a financing in the principal amount of \$25,000,000 to finance capital improvements eligible to be financed from the local government infrastructure surtax.

June 14, 2018 - City Council set a maximum expenditure for the Bayview Community Resource Center at \$8.25 million, requiring the architect to design to build not to exceed that amount and requested that a modified AIA contract be presented for approval.

**FUNDING:**

Budget:	<u>\$ 8,250,000.00</u>	Bayview Resource Center - LOST IV
	<u>\$ 8,250,000.00</u>	
Actual:	\$ 6,066,000.00	Construction Cost
	418,554.00	Construction Cost Escalation to October
	303,300.00	5% Project Contingency
	771,887.00	Design Fee and Reimbursable Amounts
	465,065.00	Additional A&E Services and Soft Cost
	<u>225,000.00</u>	Furniture, Fixtures & Equipment
	<u>\$ 8,249,806.00</u>	

**FINANCIAL IMPACT:**

Funds are available in the Local Option Sales Tax Fund. Currently there is \$8,250,000 appropriated for the Bayview Resource Center. To date, \$644,172.61 has been paid to Caldwell Associates for work performed on the Bayview Community Resource Center Project.

**CITY ATTORNEY REVIEW:** Choose an item.  
[Click here to enter a date.](#)

**STAFF CONTACT:**

Keith Wilkins, City Administrator  
Richard Barker, Jr. Chief Financial Officer  
Brian Cooper, Parks and Recreation Director

**ATTACHMENTS:**

- 1) Caldwell Associates Cost Breakdown
- 2) Caldwell Associates Request for Additional Services
- 3) Caldwell Associates Executed Contract
- 4) Caldwell Associates Summary Cost Change

**PRESENTATION:** Yes