

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: March 10, 2020	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:


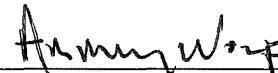
- A) Authorize** the Clerk and Comptroller to assign a unique resolution number to the construction management (CM) contract with Kast Construction Company LLC (Kast) dated 11/15/16 recognizing the contract as "Board Approved" for implementation of all future authorizations as the total contract value will exceed \$200,000; and
- B) Approve:** Amendment No. 1 to the CM contract with Kast in the amount of \$10,830,487 for the Palm Beach Sheriff Office (PBSO) Headquarters (HQ) Exterior Hardening project establishing a Guaranteed Maximum Price (GMP) for Construction Management Services for a period of 276 days from notice to proceed.

Summary: In 2014, Wantman Group, Inc. completed a structural assessment of the PBSO HQ Building. The assessment determined that the existing exterior walls, which were constructed of an exterior insulation finish system, did not provide adequate protection against hurricane force winds and needed to be hurricane hardened. The assessment additionally noted that the existing hurricane shutters should be removed and the existing doors and windows should be replaced with new windows and doors meeting hurricane code requirements. Amendment No. 1 represents the first phase of construction for the PBSO HQ Renovation project involving exterior hardening. Amendment No. 1 consists of hardening of the existing exterior wall and window systems including new wall cladding to be installed for hurricane protection, adding new reinforced concrete exterior walls and replacement of the existing roofing system, which is at its end of life. Under the Facilities Development & Operations (FDO) Director's authority to execute contracts, which do not exceed \$200,000, on November 15, 2016, the FDO Director approved the CM contract with Kast for construction management services for the PBSO Headquarters Renovation multiphase project. Since that time, two task orders for pre-construction services have been authorized in the total amount of \$165,432. This contract was awarded pursuant to the Small Business Enterprise (SBE) ordinance but this GMP, having been initiated after January 1, 2019, is subject to the requirements of the Equal Business Opportunity (EBO) ordinance. The Construction Manager is not an SBE, but has partnered with All-Site Construction Inc., an SBE CM. On, May 1, 2019, prior to subcontractor advertisement and bidding, the Goal Setting Committee applied an Affirmative Procurement Initiative (API) to the construction subcontracts of 25% SBE participation, of which 10% must be a Minority Business Enterprise (MBE) African American or Hispanic. On December 6, 2019, the Office of Equal Business Opportunity authorized a partial waiver based on the CM's good faith efforts adjusting the requirement of 10% MBE participation (African American or Hispanic) to reflect a reduced MBE subcontracting goal of 5.6% African American or Hispanic. SBE participation on this Amendment is 42.75% of which 5.6% is MBE participation African American or Hispanic. To date the Construction Manager has achieved 42.37% SBE subcontracting participation overall. The Construction Manager is a Palm Beach County business. **The funding source for this project is from the Infrastructure Sales Tax Fund. (Capital Improvements Division) Countywide/District 2 (LDC)**

Background & Justification: (Continued on page 3)

Attachments:

- 1. Location Map
- 2. GMP Amendment No. 1
- 3. Budget Availability Statement
- 4. Kast CM Contract dated 11/15/16
- 5. CM Contract for PBSO HQ Renovations- Contract History

Recommended By:   2/18/2020
 Department Director Date

Approved By:  2/29/2020
 County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2020	2021	2022	2023	2024
Capital Expenditures	\$11,071,975	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	\$11,071,975	_____	_____	_____	_____

ADDITIONAL FTE POSITIONS (Cumulative)

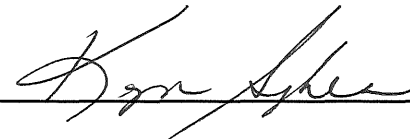
Is Item Included in Current Budget: Yes x No _____
 Does this item include the use of federal funds? Yes _____ No x

Budget Account No: Fund 3950 Dept 411 Unit B545 Object 4907

Construction: \$10,830,487
 Staff Cost: \$241,488
 Total: \$ 11,071,975


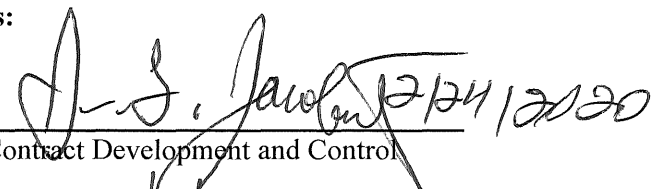
B. Recommended Sources of Funds/Summary of Fiscal Impact:

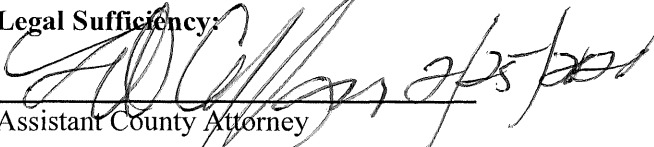
The funding source for this work is from Infrastructure Sales Tax Fund.

C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

<u></u> OFMB <u>2/13/2020</u>	<u></u> Contract Development and Control <u>2/24/2020</u>
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B. Legal Sufficiency:

 Assistant County Attorney

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

Background & Justification:

CM at Risk is a project delivery method in which the CM provides design phase assistance, evaluation of cost, schedule and implications of alternate designs, systems and materials, and serves as the general contractor bidding the subcontracts for construction. The PBSO Headquarters Renovation project consists of the exterior and interior renovation of the 200,000 square foot PBSO HQ building on Gun Club Road which will be accomplished in several phases through GMP Amendments for each phase. GMP Amendment # 1 represents the first phase of construction involving exterior hardening.

In 2016, when the PBSO HQ Renewal/Replacement/Renovation (R/R/R) project was originally estimated for inclusion in the Infrastructure Sales Tax project plan, it had an estimated construction cost of \$32M and total project cost of \$38.28M. Due to: 1) scope and project approach changes, 2) delayed construction start and associated price escalation, and 3) project management and temporary relocation costs not originally included; additional funding will be required in the future to complete the project.