

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

Meeting Date: December 7, 2021

Consent

Regular

Workshop

Public Hearing

Department: Facilities Development and Operations

I. EXECUTIVE BRIEF

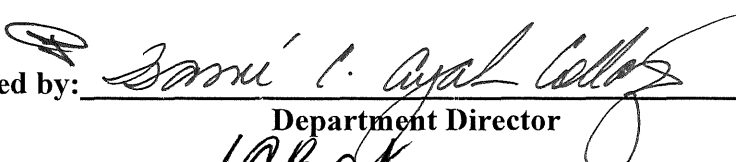
Motion and Title: Staff recommends motion to approve: Amendment No. 1 to the construction manager (CM) at risk contract (R2019-1751) with Kast Construction Company LLC (Kast) in the amount of \$53,206,963 for the Supervisor of Elections (SOE) Production Facility project establishing a Guaranteed Maximum Price (GMP) for construction management services for a period of 624 days from notice to proceed.

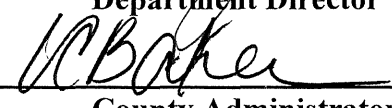
Summary: On April 16, 2019, the Board of County Commissioners (Board) instructed staff to complete a comparative study to confirm program needs and siting options for the SOE operations, including the possible efficiencies of collocating the County-owned Main office building (Gun Club Road) and the leased Production Facility (Riviera Beach). On November 19, 2019, the Board approved the contract with Kast (R2019-1751) for construction management services for a new Production Facility for the SOE. On January 16, 2020, the Director of Facilities Development and Operations (FDO) approved Task Order No. 1 that authorized preconstruction phase services for the CM to assist the design professionals with a comparative study. The comparative study documented the efficiencies of collocating the SOE two existing facilities, the County-owned Main office building and the leased Production Facility, and developed options for accomplishing the same. On May 19, 2020, staff presented the results of the comparative study to the Board and recommended, with SOE's concurrence, collocating the facilities. As a result, the Board instructed staff to proceed with the recommendation to collocate the two existing SOE facilities in a new facility to be built at the County's Cherry Road Complex (at the intersection of Cherry and Country Club Road in West Palm Beach). Accordingly, on August 19, 2020, the Contract Review Committee approved Task Order No. 2 for preconstruction phase services for the development of the guaranteed maximum price (GMP) for the construction of the new facility at the Cherry Road Complex. Amendment No. 1 authorizes construction management services for the construction of approximately 156,000 square feet of office and warehouse space which will house the SOE administrative office and Production Facility operations; a multi-story parking garage of approximately 146,000 square feet and additional surface parking for both public and staff use; including all the associated site infrastructure improvements required to support both buildings. The CM will have 624 calendar days from notice to proceed to substantially complete the project. Liquidated damages for failure to achieve certification of substantial completion within the contract time or approved time extension thereof is \$250 per day. The solicitation for a CM was advertised on July 21, 2019 according to the requirements of the Equal Business Opportunity (EBO) ordinance. On July 21, 2021, the Goal Setting Committee established an Affirmative Procurement Initiative (API) of 20% Small Business Enterprise (SBE) participation for the construction phase of the project, of which 8% must be African American or Hispanic American firms. Kast has achieved 20.12% SBE participation, of which 8.21% is African American or Hispanic American participation. Funding for this project is from the Public Impact Revenue fund. **(Capital Improvements Division) Countywide/ District 7 (LDC)**

Background and Justification: (Continued on page 3.)

Attachments:

- 1. Location Map
- 2. Budget Availability Statement
- 3. Amendment No. 1
- 4. Construction Manager at Risk - Contract History

Recommended by:  11/19/2021
 Department Director Date

Approved by:  12/1/2021
 County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	\$55,139,963	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	\$55,139,963	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____
Is Item Included in Current Budget:			Yes	<u>X</u>	No
Does this item include use of federal funds?			Yes	_____	No <u>X</u>

Budget Account No: Fund 3080 Dept 411 Unit B652 Object 6502

Construction Cost: \$53,206,963.00
 Staff Charges: \$ 850,000.00
 Contingency: \$ 1,083,000.00
\$55,139,963.00

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

51.05M NAV Pub Imp Rev Bonds, 21A, CP, SOE Bldg

C. Departmental Fiscal Review: *Karen Lykes*

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

Lisa Minch 11/22/21
 OFMB *CA* 11-22-21
AD 11/22/21

Ar. J. Jarboan 11/30/21
 Contract Development and Control
 11-30-21 *TW*

B. Legal Sufficiency:

[Signature] 11/30/21
 Assistant County Attorney

C. Other Department Review:

 Department Director

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

Background and Justification (Cont.):

The Supervisor of Elections (SOE) Production Facility provides for ballot processing on Election Day, production and storage of voting equipment, and materials to support the operations of the Supervisor of Elections (SOE). On July 21, 2009, the County entered into a sublease with Hutting Building Products (Hutting) (R2009-1211) for 76,602 sf of warehouse and office space for the current Supervisor of Elections Production Facility. The most critical factors at the time were preserving the flexibility for growth, new and/or changing technology and specifically leasing a large open space that could be reconfigured to meet immediate and possible future needs. Unfortunately, the existing Production Facility cannot accommodate 1) a significant increase in the number of absentee ballots; 2) support facilities for the volume of persons assigned to the Facility (parking, restrooms, support spaces); and 3) the need for dedicated spaces and technology for media and observers.

On September 22, 2015, the Board approved a 5-year extension of the sublease with Hutting (R2015-1342) with an option to renew for two years and recommended that the County and SOE explore options to construct a County-owned facility for the SOE with a targeted completion date prior to the end of the lease (the current contract term ends on December 31, 2023). In September 2018, the Board approved \$1,500,000 to commence the design of a County-owned Production Facility at its Cherry Road site. Given that the Main Office and the new Production Facility at Cherry Road would be approximately 2 miles apart, early coordination between staff and the SOE pointed towards possible programing improvements and efficiencies resulting from collocating the two facilities. On April 16, 2019, the Board instructed staff to proceed with the design of the County-owned Production Facility and to complete a comparative study to confirm program needs and site options including the possible efficiencies of collocating the Main Facility and Production Facility at the same location. On May 19, 2020, the Board reviewed the results of the comparative study, which includes the historic evolution of the SOE Production Facility project, the findings and recommendation of the comparative study and the recommendation by staff to collocate the two facilities. Accordingly, the Board instructed staff to proceed with the design and construction of a collocated SOE Production Facility at the County's Cherry Road Complex (at the intersection of Cherry and Country Club Road in West Palm Beach), and to pursue the issuance of a revenue bond to fund the project.

On August 25, 2020, the Board approved Consultant Services Authorization (CSA) No. 3 to the professional services contract (R2019-1586) with Song & Associates Inc. (S+A) for the professional architectural/engineering design of the new SOE facility. Concurrently, Staff recommended and the Board approved, a budget transfer of \$3,000,000 from the General Fund Contingency Reserves to the Public Building Improvement Fund, and a Reimbursement Resolution to enable the County to reimburse itself for expenses related to the acquisition, design, construction, development and equipping of the project. On March 9, 2021, the Board authorized issuance of the general revenue bonds. Due to its timing, the design process of the new SOE facility was subject to the generalized impacts of the COVID19 pandemic on construction costs. After a comprehensive value-engineering process, Staff along with the CM and the design consultants, was able to attain a GMP within the project budget without impacting SOE's programmatic and operational needs. However, to ensure it retains flexibility (in the form of contingency funds) to address unforeseen conditions that may arise during construction, Staff has opted to delay reimbursement of the \$3,000,000 until project close-out.

Construction Manager (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 general contractors issuing the subcontracts for construction. Final selection for construction manager at risk services for the supervisor of elections Production Facility project was completed on October 10, 2019.