

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: April 5, 2022

Consent

Regular

Ordinance

Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Change Order No. 3 to Amendment No. 3 (R2021-0345) of the construction management (CM) at risk contract with Kast Construction Company LLC (R2020-0249.1) increasing the Guaranteed Maximum Price (GMP) in the amount of \$2,692,416.62 for the Palm Beach Sheriff's Office Headquarters (PBSO HQ) Renovation Project.

Summary: On March 9, 2021, the Board of County Commissioners (Board) approved Amendment No. 3 (R2021-0345) to the CM contract with Kast Construction Company LLC (R2020-0249.1) for the PBSO HQ Renovation project establishing a Guaranteed Maximum Price (GMP) in the amount of \$33,653,791. Amendment No. 3 authorized interior and exterior work including, but not limited to, hardening the existing exterior wall and window systems including new wall cladding to be installed for hurricane protection; adding new reinforced concrete walls; replacement of the existing roofing system; replacement and upgrades to the heating, ventilation and air conditioning system (HVAC); renovation of the fire suppression and lighting systems; and renovations to the interior of all three levels of the facility to accommodate additional offices, workstations and conference spaces. Change Order No. 3 includes the cost of materials, equipment, additional work, as well as credits due to buyout savings. The additional work includes, but is not limited to, additional repairs to the sanitary lines, roofing system, fire alarm and card access system; additional renovations to the elevator electronic systems; installation of new drinking fountains, vinyl flooring, ballistic glass and exterior lights; electrical repairs; cleaning of the remaining HVAC ducts; and removing non-code compliant electrical wiring from the ceiling. The additional work is a result of unforeseen conditions uncovered during construction, additional requests made by PBSO and the need to better address select system upgrades and interior departmental layouts that were not originally anticipated or included in the project scope. The CM contract with Kast Construction Company LLC 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. Kast Construction Company LLC is not an SBE, but has partnered with All-Site Construction, Inc., an SBE CM. In September 2020, 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 5% must be a Minority Business Enterprise (MBE) African American or Hispanic American. The original SBE participation on Amendment No. 3 was 41.349% of which 7.64% was MBE participation. The SBE participation for Change Order No. 3 is 12.54%. To date, including Change Order No. 3 to Amendment No. 3, Kast Construction Company LLC has achieved 32.50% SBE subcontracting participation of which 6.82% is MBE participation. Kast Construction Company LLC is a Palm Beach County business. **The funding source for this project is from the Infrastructure Sales Tax fund. (Capital Improvements Division) District 3 (MWJ)**

Background & Justification: (Continued on Page 3)

Attachments:

1. Location Map
2. Budget Availability Statement
3. Change Order History
4. Change Order No. 3 to Amendment No. 3

Recommended By: *Danni C. Ayala* *Collins* *3/18/2022*
 Department Director Date

Approved By: *JCBaker* *3/31/22*
 County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	\$2,692,417	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	\$2,692,417	_____	_____	_____	_____

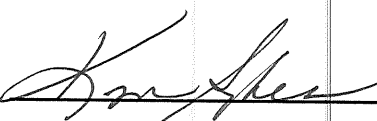
ADDITIONAL FTE POSITIONS (Cumulative)

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

Budget Account No: Fund 3950 Dept 441 Unit B545 Object 4907

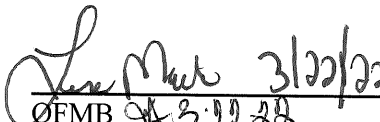
B. Recommended Sources of Funds/Summary of Fiscal Impact:


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

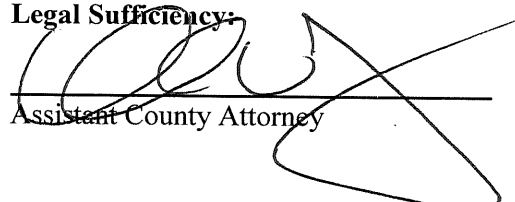
C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

 3/22/22
 OFMB 3/22/22 LM
 3/22

 3/28/22
 Contract Development and Control
 3-28-22

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 (Cont'd): On November 15, 2016, the FDO Director, under the Director's authority, approved a construction manager at risk contract with Kast Construction Company LLC for construction management services for the PBSO HQ Renovation project. On March 10, 2020, the Board assigned a resolution number to the contract with Kast Construction Company LLC dated November 15, 2016 (R2020-0249.1) and permitted all subsequent authorizations issued under the agreement to follow the approval authority of Board-approved contracts over \$200,000, as established in policy and procedural manual (PPM) CW-F-050. Change Order No. 03 includes the cost of materials, equipment, additional work, as well as credits due to buyout savings and the substitution of materials.