3H-6

#### Agenda Item #:

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date	: September 13, 2022	[X] Consent [ ] Ordinance	[ ] Regular [ ] Public Hearing
Department:	Facilities Development & Open	rations	

#### I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Change Order No. 4 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 \$2,406,618.50 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 systems (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. 4 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, electrical and low voltage changes, painting doors, the pre-action fire suppression system; installation of electrical components, louvers, ductwork; adding card readers, data cables, cable trays, emergency exterior lighting circuits and wall packs along with a concrete ramp and handrails for compliance with the American with Disabilities Act (ADA). 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, was 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. 4 is 45.79% SBE subcontracting participation of which 10.07% is MBE participation. To date, including Change Order No. 4 to Amendment No. 3, Kast Construction Company LLC has achieved 33.04% SBE participation of which 6.99% 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) <u>District 3 (MWJ)</u>

Background and Justification: (Continued on Page 3)

## **Attachments:**

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

Recommended By:	Danu l. ligal	lell of	8/12	/2022
<i>v</i>	Department Director	1	Date /	1
Approved By:	Moker		4/23	32
	County Administrator		Date	

# II. FISCAL IMPACT ANALYSIS

A. Five Year Summary	of Fiscal Impact	:			
Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	\$2,406,619				
<b>Operating Costs</b>					
<b>External Revenues</b>					
Program Income (Count	ty)	-			
In-Kind Match (County					
NET FISCAL IMPACT	<u>\$2, 406,619</u>				
ADDITIONAL FTE POSITIONS (Cumulativ	/e)				
Is Item Included in C Does this item include federal funds?	_	t: Yes <u>x</u> Yes _		No	
Budget Account No:	Fund <u>3950</u> <b>D</b> e	ept <u>411 U</u> nit _	<u>B545</u> <b>Object</b> _	<u>4907</u>	
3. Recommended Sources o	f Funds/Summa	ary of Fiscal Im	pact:		
he funding source for thi	s work is from	the Infrastruc	ture Sales Tax F	und.	
C. Departmental Fiscal	Review:	Km-	her		
	Ι	II. <u>REVIEW C</u>	OMMENTS		
A. OFMB Fiscal and/or		/	Ints:		- 0 - 1
OFMB OK 8.131	elista Ew 8-	15.22	Contract Develo	pment and Contro	In Chestrae The
Assistant County Auto	rney	123/72			
C. Other Department R	eview:				
Department Director					

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

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Background and 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. 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.