



RDA Staff Report

Subject: Woodside Park Phase 2
Preconstruction Services - Construction
Manager at Risk Agreement Award

Author: Jason Glidden

Department: Community Development

Date: April 18, 2019

Type of Item: Administrative – Award of Contract

Summary Recommendation

Review the proposal from Ascent Construction and authorize the City Manager to enter into a Construction Manager at Risk (CMAR) agreement in a form approved by the City Attorney's Office with Ascent Construction, Inc., in the amount not to exceed \$12,000 Dollars.

Executive Summary

On January 29, 2019, City Council provided final direction on the proposed design of the Woodside Park Phase 2 Housing project. With this direction, Method Studio was able to complete the design development stage and start to move into developing construction documents. As part of this next stage, staff is recommending that a Construction Manager be contracted through a Construction Manager at Risk Agreement to perform pre-construction services. These services would include: reviewing construction documents for buildability, performing cost estimation and possible value engineering, as well as developing a construction schedule. Council should review the Pre-construction Services Proposal and approve the award of Pre-construction Services Contract for the Woodside Park Phase 2 project to the committee selected Construction Manager. The Woodside Park Phase 2 construction project helps to meet City Council's desired outcomes, notably affordable housing.

Background

October 20, 2016 - [Staff Report \(pg. 3\)](#), [Summary](#), [Minutes](#)
November 3, 2016 - [Staff Report \(pg. 47\)](#), [Summary](#), [Minutes](#)
December 1, 2016 - [Staff Report \(pg. 6\)](#), [Summary](#), [Minutes](#)
November 16, 2017 – [Staff Report \(pg. 71\)](#), [Summary](#), [Minutes](#)
March 8, 2018 – [Staff Report \(pg. 15\)](#), [Summary](#), [Minutes](#)
January 29, 2019 – [Staff Report](#), [Minutes](#)

Analysis

The Request for Qualifications/Proposals (RFQ/RFP) was advertised on January 23rd and 26th, 2019 in the Park Record and 25th and 26th in the Salt Lake Tribune. Additionally, the RFP was posted on the City's website, e-notify and Utah Legals website.

A selection committee included the following participants:

PCMC: Jason Glidden, Anne Laurent, Dave Gustafson
Method Studio: Jarrett Moe

Four (4) firms responded and their proposals are as follows:

NAME	PRE-CONSTRUCTION FEE	CONSTRUCTION MANAGEMENT FEE
ASCENT	\$ 12,000.00	4.0%
KELLER	\$ 53,054.00	4.0%
NEW STAR	\$ 23,928.00	4.5%
NORTH RIDGE	\$ 16,500.00	5.0%

The selection committee interviewed three firms on March 13, 2019. Selection of the chosen firm was based on the following criteria:

- Experience constructing multi-family buildings.
- Experience with sustainable construction practices.
- Strength of individuals committed to the project.
- Experience with construction manager/general contractor or CMAR delivery.
- Ability to meet proposed schedule.
- Strength of addressing PCMC concerns, approval process.
- Other services/cost proposed.

As defined in the City's purchasing policy: **Contracts for Professional Services, where the Service Provider is responsible for Building Improvements/Public Works Project (Construction Manager / General Contractor "CMGC" Method)** are contracts where the City contracts with a "Construction Manager/General Contractor" which is a contractor who enters into a contract for the management of a construction project when that contract allows the contractor to subcontract for additional labor and materials that were not included in the contractor's cost proposal submitted at the time of the procurement of the Construction Manager/General Contractor's services. The CMGC contract is exempt from competitive bidding. The selection of CMGC contracts shall be based on a documented evaluation process such as a Request for Proposals (RFP), Statement of Qualifications (SOQ), Qualification Based Selection (QBS), etc. The CMGC will implement all bid packages and subcontractors under a competitive bid requirement as required in the City's purchasing policy. The purchasing policy requires that the Project Manager will attend the award of all subcontracts which meet the threshold requirements in which the State Code (and our purchasing policy) requires a sealed bid if it was bid individually. The proposed CM/GC contract also requires that any competitive quotes for items of work between \$15,000 and the State Code amount (approximately \$135,000) will use the City's Local Bidder Preference.

The Construction Manager/General Contractor (CM/GC) is also referred to as a Construction Manager at Risk (CMAR) and the terms are interchangeable. The CM/GC construction method is different from the traditional Design-Bid-Build method in that the contractor is brought on board during the design phase as a professional service

provider to work with the project team to help reduce construction costs, improve quality control and most importantly improve schedule with early mobilization and phased bidding and construction.

The CMAR contract at this time is for preconstruction services of **\$12,000**. The **\$12,000** is below the amount requiring Council award; however this CMAR contract could be amended to a contract for construction management of the project. At the point where construction documents are 90%-100% complete, the Construction Manager will bid the project consistent with State code and City policies. The Construction Manager will then propose a Guaranteed Maximum Price (GMP) that includes a detailed schedule of work and costs based on the subcontractor bids, General Conditions, Construction Manager's Fee, Bonds and a Contingency. Staff will return to Council for award of the Amendment #1 to the CMAR Agreement for the GMP.

Department Review

This report has been reviewed by representatives of Community Development, Legal, Budget and the City Manager's Office and their comments have been integrated into this report.

Funding Source

City allocated approximately \$19 million in Lower Park Ave RDA bond funds and \$5 million in Additional Resort Communities Sales Tax revenue to fund housing projects. Due to the production of market rate units in this project, two separate funding sources will be used to fund the pre-construction services. RDA bond funds will only be used to fund the affordable/attainable portion of this project.

Attachments

Exhibit A – Ascent Construction Proposal

Exhibit B – DRAFT CMAR Contract – Ascent Construction