


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	24-314	Meeting:	August 5, 2024
	Agenda Item:	9	Roll Call:	24-1049
	Submitted by:	Benjamin R. Page, Park and Recreation Director, James M. Hoff, Assistant City Manager, and Steven L. Naber, P.E., City Engineer		

AGENDA HEADING:

Approving Guaranteed Maximum Price (GMP) Amendment 1 with J.E. Dunn Construction Company for Construction Manager at Risk services for the North Side Community Recreation Center, not to exceed \$273,082.

SYNOPSIS:

Recommend approval of the GMP Amendment 1 with J. E. Dunn Construction Company (Gordon E. Lansford III, President, 1001 Locust Street, Kansas City, MO 64106) for a total cost not to exceed \$273,082 for the North Side Community Recreation Center project, subsequently to be known as the Reichardt Community Recreation Center.

FISCAL IMPACT:

Amount: \$273,082

Funding Source: Fiscal Year (FY) 2024-2025 Capital Improvement Program (CIP), Page 52, Northside Community Recreation Center, BL135, Being: G.O. Bonds, Local Option Sales and Service Tax (LOSST), General Fund, and Private Funds

ADDITIONAL INFORMATION:

- On July 1, 2022, Senate File 183 established a new Chapter 26A of the Iowa Code, which allows and authorizes public improvement projects to be constructed under the Construction Manager at Risk (“CMR”, alternatively “CMaR”) project delivery method.
- CMR is defined in Iowa Code Chapter 26A as a sole proprietorship, partnership, corporation, or other legal entity that assumes the risk for construction, rehabilitation, alteration, or repair of a project and provides consultant services to the government entity in the project development and design phases, working collaboratively with the design professionals involved. A CMaR project delivery method involves the negotiation of a GMP for the project with a construction manager who agrees to complete the project for the public entity-owner within the GMP. The GMP includes the cost of the construction work (including work performed by subcontractors and any self-performed work by the construction manager), plus the construction manager’s negotiated fee. CMR cannot be used on highway, bridge or culvert construction projects.
- City staff prepared and issued a Notice of Intent (NOI), Request for Qualifications (RFQ), and Request for Proposals (RFP) with the intention of being used to procure a CMR for the

construction of the facility, which will subsequently be known as the Reichardt Community Recreation Center. J.E. Dunn Construction Company was selected to provide CMR services for this project based upon the selection criteria in the RFQ and RFP, as well as their demonstrated project approach, understanding, and related project experience.

- The Scope of Services performed by the Construction Manager under this Agreement for pre-construction services has included design review and constructability recommendations, scheduling, cost estimating, value engineering, construction bid packaging, and subcontractor and supplier procurement.
- The Construction Manager has assembled a big package for long-lead time electrical equipment, to allow for the early procurement of this equipment to expedite the construction schedule. The Construction Manager has posted an RFQ, evaluated qualifications, and issued bid documents to qualified subcontractors to submit a bid. The Construction Manager and City have opened, reviewed, and tabulated the bids. Tjaden Electric has been deemed the lowest responsive, responsible bidder to be the Construction Manager's subcontractor for this scope of work.
- The Construction Manager has prepared an Interim GMP proposal for this long-lead time electrical equipment, including the Cost of the Work, contingencies, and the Construction Manager's Fee percentage as established in the RFP. This Interim GMP amendment to the original Agreement requires Council action to allow the early procurement of long-lead time electrical equipment, including the main distribution panel, the step-down transformer, the distribution panel, the meter socket, and the CT cabinet, which will reduce the risk of project delays related to procurement of this material.
- This GMP proposal also includes two (2) allowances. Once bids for the remainder of the construction are received in mid-August, the bids will be evaluated in comparison to the project budget and a determination will be made at that time if shop drawings and site setup should begin, in which the allowances may be used by the Construction Manager. Written approval from the City is required for the use of the allowances. Starting shop drawing review and site setup early will directly benefit the project's construction schedule and the timeline to open the new facility.
- The Agreement between the City and the Construction Manager clarifies that if there is more than one (1) GMP Proposal submitted for the Project, then each subsequent proposal will incorporate the prior agreed upon GMP to ensure there is ultimately one (1) cumulative GMP for the Project.
- A subsequent Cumulative GMP amendment to award the remainder of the construction bid packages and begin the construction phase of the project will be brought before the Council for consideration in the fall of 2024.
- The primary mission of the project is "To serve community needs and provide opportunities for recreation through a vibrant design." Project goals defined during the planning phase support this vision. The design reflects the collective vision of the community, and the project will be sustainable environmentally and economically.
 - Planned building program includes an indoor pool, gymnasium with elevated walking track, fitness rooms, community rooms, multipurpose spaces for innovative and flexible programming, and areas to support day-to-day operations, such as offices, lobby spaces, check-in areas, locker rooms, and building services.

- Planned site improvements are associated with the building and include parking, stormwater management, walks, multipurpose paved trail, a futsal court, and site preparation for a playground area.
- The current estimated construction cost is \$21,750,000. Funding for the project is a combination of City and private funds.
- Pending approval of the subsequent GMP amendment, construction is expected to begin in September 2024 and take approximately 18 months to complete.



PREVIOUS COUNCIL ACTION(S):

Date: May 6, 2024

Roll Call Number: [24-0644](#)

Action: [Authorizing](#) and approving agreement with J.E. Dunn Construction Company for Construction Manager at Risk Services for the North Side Community Recreation Center, with Pre-Construction Services, not to exceed \$60,518. ([Council Communication No. 24- 201](#)) Moved by Coleman to adopt; refer to the City Manager to schedule a work session on this process and provide evaluations of other projects where it has been used. Second by Voss. Motion Carried 7-0.

Date: August 7, 2023

Roll Call Number: [23-1069](#)

Action: [Approving](#) Professional Services Agreement with M.A. Architecture, Inc. for professional services for the North Side Community Recreation Center project, not to exceed \$2,022,700. ([Council Communication No. 23-371](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1.
Absent: Sheumaker

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

City staff anticipate future Council action on this Agreement to approve a GMP Amendment related to proceeding with construction of the North Side Community Recreation Center project.

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