

Mayor and Council Communication

DATE: 05/19/20

M&C FILE NUMBER: M&C 20-0334

LOG NAME: 20HARMON CMAR AND KIMLEY HORN AMEND NO. 2

SUBJECT

Authorize Execution of a Construction Manager at Risk Agreement with McCarthy Building Companies, Inc. for the Harmon Road Project, from US 81/287 to Golden Triangle Boulevard, with a Preconstruction Phase Fee in the Amount of \$95,000.00 and a Construction Phase Cost of Six and One-Half Percent (6.5%) of the Cost of Work within the Project Construction Budget of \$22,000,000.00; Authorize Execution of Amendment No. 2 to an Engineering Services Agreement with Kimley-Horn and Associates, Inc. in the Amount of \$425,000.00, for Additional Engineering Services for the Harmon Road Project, Increasing the Project Design Costs to \$2,820,000.00 (2018 Bond Program) (TIF 7) (COUNCIL DISTRICT 7)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a Construction Manager at Risk Agreement with McCarthy Building Companies, Inc. for the Harmon Road Project, from US 81/287 to Golden Triangle Boulevard, with a Preconstruction phase fee in the amount of \$95,000.00 and a construction phase cost of six and one-half percent (6.5%) of the cost of work within a project construction budget of \$22,000,000.00 (City Project 100459); and
2. Authorize execution of Amendment No. 2 to the Engineering Agreement with Kimley-Horn and Associates, Inc. (City Secretary Contract No. 49024) in an amount not to exceed \$425,000.00, for additional engineering services associated with the Harmon Road Project, increasing the project design costs to \$2,820,000.00.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to authorize execution of a Construction Manager at Risk (CMAR) contract with McCarthy Building Companies, Inc. for the Harmon Road Project, from US 81/287 to Golden Triangle Boulevard, with a preconstruction phase fee in the amount of \$95,000.00 and a construction phase cost of 6.5% of the cost of work within a project construction budget of \$22,000,000.00. The total overall project budget is \$35,700,000.00, which includes planning, design, land acquisition, project administration, construction, inspection, testing, utility relocations, and contingencies. The project scope includes the construction of a 4-lane arterial street from US 81/287 to Golden Triangle Boulevard, with roundabouts at US 81/287 north and south frontage roads, Presidio Vista Drive, Heritage Trace Parkway and Golden Triangle Boulevard. The project is being funded through the City's 2018 Bond Program and TIF 7 Development Agreement, CSCN 53798 (M&C C-27896) .

CMAR:

Due to factors including budget, schedule and length, City staff determined that utilizing a CMAR for project delivery would be most efficient for accomplishing the project. The CMAR method of project delivery is expected to reduce impacts to the traveling public during construction, minimize change orders and reduce overall time for completion. By engaging a CMAR, the phasing and sequencing of the project will be overseen by a single construction manager, rather than it being managed directly by TPW staff, and delivered in different sections under multiple bid-build contractor solicitations, as is more typical project delivery.

A one-step call for qualifications from interested CMAR firms was advertised in the *Fort Worth Star-Telegram* on January 30 and February 6, 2020. A pre-proposal meeting was held February 11, 2020. The City received 4 responses on February 27, 2020 from the contractors listed below:

- Jackson Construction, Ltd.
- McCarthy Building Companies, Inc.
- Sundt Construction, Inc.
- Thalle Construction Company

A selection team comprised of representatives of the Transportation & Public Works Department, Park & Recreation Department and the Office of Business Diversity reviewed and scored the submittals. The selection team reviewed the proposers' (a) corporate experience & financial stability, (b) proposed fees and costs, (c) qualifications and experience of key personnel, (d) pre-construction services approach, (e) construction services approach, (f) QA/QC and safety plan approach, (g) cost and schedule controls, (h) compliance with Business Diversity Enterprise Ordinance and (i) special consideration for arterial streets constructed in the City of Fort Worth. The individual scores were averaged for the final scores listed in the following table.

Proposers	Evaluation Factors										

	a	b	c	d	e	f	g	h	i	Totals	Rank
McCarthy Building Companies, Inc.	9.25	4	15.25	8.5	10.75	4.5	19.5	4	3.75	79.50	1
Sundt Construction, Inc.	9	4	13.5	8	11.75	4	19.75	5	2.25	77.25	2
Jackson Construction, Ltd.	7	3	15	4	9	2.5	11.25	3	5	59.75	3
Thalle Construction Company	8.25	3	8.5	6	9.25	2.75	14	4	0	55.75	4

Staff began negotiations with the top ranked firm on April 8, 2020 and now recommends that the City Council authorize execution of a CMAR contract with McCarthy Building Companies, Inc., for CMAR services for the construction of Harmon Road from US 81/287 to Golden Triangle Boulevard.

This project is included in the 2018 Bond Program. Available resources within the General Fund will be used to provide interim financing until debt is issued. Once debt associated with the project is sold, bond proceeds will reimburse the General Fund in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance No. 23209-05-2018) and subsequent actions taken by the Mayor and Council.

This project is being funded by 2018 Bond Program and the TIF 7 Development Agreement as shown in the following table:

Fund	M&C	Amount
2018 Bond Program	G-19306	\$18,000,000.00
SCN 53798 TIF 7 Development Agreement	C-27896	\$12,390,000.00
WS Capital Project 2019	C-28778	\$58,450.00
TOTAL FUNDING		\$30,448,450.00

Pre-Construction services, including a detailed constructability review of the design, will commence upon award of this contract and issuance of a Notice to Proceed. Construction services for Harmon Road are expected to begin in winter 2020. Construction is projected to be completed by 2023.

Design Services Agreement Amendment:

On April 17, 2017 (M&C C-28184), the City Council authorized an Engineering Agreement with Kimley-Horn and Associates, Inc. (KHA), in the amount of \$1,800,000.00 to develop design and construction documents for the improvements of Harmon Road.

On June 26, 2018 (M&C C-28764), the City Council authorized Amendment No. 1 to the Agreement in the amount of \$595,000.00 to provide additional design services for Harmon Road. This Amendment No. 2 will complete the design and construction documents for a not to exceed amount of \$425,000.00. Staff considers this additional fee to be fair and reasonable for the scope of services proposed.

M/WBE Office – The M/WBE Office has determined that there is no MBE diversity goal for Pre-Construction Phase Services. McCarthy Building Companies, Inc. is in compliance with the City's BDE Ordinance by committing to 11% MBE participation for the Construction Phase Services of this CMAR project. The City's MBE goal for Construction Phase Services on this CMAR project is 11%.

Kimley-Horn and Associates, Inc. agrees to maintain its initial SBE commitment of 14% that it made on the original agreement and extend and maintain that same SBE commitment of 14% to all prior amendments up to and inclusive of this Amendment No. 2. Therefore Kimley-Horn and Associates, Inc. remains in compliance with the City's BDE Ordinance and attests to its commitment by its signature on the Acceptance of Previous SBE Commitment form executed by an authorized representative of its company.

The Project is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the 2018 Bond Program and TIF 7 Development Agreement Funds for Harmon Road Design ROW project to support the approval of the above recommendations, award of the contract and execution of the amendment. Prior to any expenditure being incurred, the Transportation & Public Works Department has the

responsibility to validate the availability of funds.

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