

Mayor and Council Communication

DATE: 06/27/23

M&C FILE NUMBER: M&C 23-0566

LOG NAME: 21FUTURE CITY HALL CMAR AMENDMENT #1

SUBJECT

(CD 9) Authorize Execution of Amendment No.1 to Construction Manager at Risk Contract with Linbeck Group, LLC in the Amount Not to Exceed \$50,000,000.00, for a Total Contract Amount of \$137,076,188.00, Including an Owner's Construction Contingency Allowance, for the New Council Chamber Building at Future City Hall and Renovations to Future City Hall Building at 100 Energy Way. Authorize Execution of Amendment No. 2 to the Professional Services Agreement for Architectural Design Services with BOKA Powell, LLC for \$447,819.00 for Additional Floodway and Council Chambers Design Services at 100 Energy Way, for a Total Contract Amount of \$7,116,841.00

RECOMMENDATION:

It is recommended that the City Council authorize execution of Amendment No. 1 to construction manager at risk contract with Linbeck Group, LLC in the amount not to exceed \$50,000,000.00 for a total contract value of \$137,076,188.00 including an owner's construction contingency allowance, for the new council chamber building at Future City Hall and renovations to Future City Hall Building at 100 Energy Way and authorize execution of Amendment No. 2 to the professional services agreement for architectural design services with BOKA Powell, LLC for \$447,819.00 for additional floodway and council chambers design services at 100 Energy Way, for a total contract value of \$7,116,841.00.

DISCUSSION:

The purpose of this Mayor and City Council Communications (M&C) is to recommend that the City Council authorize execution of Amendment No. 1 to Construction Manager at Risk (CMAR) contract with Linbeck Group, LLC in the amount not to exceed \$50,000,000.00 including an owner's construction contingency allowance for the new council chamber building at Future City Hall site and renovations to Future City Hall Building at 100 Energy Way. This contract will accomplish the planned additional areas of scope, cover improvements required in accordance with the Federal 408 permitting site changes, and accommodate for additional items of known construction work. This work will be completed in phases. This allocation will go to the phases of the project remodeling additional floors of the office tower, support construction of the expanded new council chambers, and provide additional site improvements in accordance with the Federal 408 permit requirements. These phases will run concurrent when possible. Other amendments may be required as additional work is defined.

This M&C also recommends that City Council authorize execution of Amendment No. 2 to the Professional Services Agreement for Architectural Design Services with BOKA Powell, LLC for an amount of \$447,819.00 for additional floodway and council chambers design services at 100 Energy Way, for a new contract total of \$7,116,841.00.

On December 15th, 2020, the City Council authorized the acquisition of the former Pier 1 building, located at 100 Energy Way, for use as the future City Hall (M&C 20-0910).

On June 22nd, 2021, the City Council authorize execution of Amendment No. 1 to the professional services agreement with the Athenian Group, LLC, for multi-year project management services associated with the relocation of City Hall to 100 Energy Way (M&C 21-0429). The Athenian Group, LLC has conducted a detailed assessment of the departments and functions associated with the relocation. They have provided a written program and illustrated diagrams to make recommendation regarding what departments functions would move to and where they would be located at the Future City Hall.

On November 30th, 2021 via M&C 21-0903, the City Council authorized execution a professional services agreement with the BOKA Powell, LLC, in the not to exceed amount of \$5,460,279.00, including reimbursable expenses, for design and construction administration services associated with the relocation of City Hall to 100 Energy Way. This initial contract will accomplish the majority of design work that has been affirmed so far, but amendments may be required as additional work is defined.

On December 2nd, 2021, the Athenian Group and the Property Management Department issued a Request for Qualifications, to select Construction Manager at Risk (CMAR) team to provide construction management and delivery of the construction required to build a new council chambers building, remodel 100 Energy Way and make it suitable for use as Fort Worth's City Hall. Statements of Qualifications (SOQs) were due January 6th, 2022. The City received 5 SOQs from qualified construction manager at risk firms. The selection committee included representatives from the City Manager's Office, the City Hall Steering Committee, Property Management Department, and the Diversity and Inclusion Business Equity Office.

After reviewing the SOQs, the committee met on January 12th, 2022, to select 3 of the 5 firms for interviews based on their rankings in a qualifying matrix. The interviews took place January 21st, 2022. On the 12th of April 2022, the City administratively executed a contract for pre-construction services for an amount totaling \$98,500.00.00. On May 24th, 2022 via M&C 22-0399, the City Council authorized execution of a CMAR construction contract with Linbeck Group, LLC in the amount of \$87,076,188.00 to be delivered in phases to address current construction costs and material lead times.

On February 14th, 2023, the City Council voted to amend the contracts of Athenian Group and BOKA Powell via M&C 23-0111, bringing the total

contract amount for BOKA Powell to \$6,669,022.00.

On April 11th, 2023 the City Council voted to add \$50,000,000.00 in additional funding to the project overall budget via M&C 23-0250.

The updated overall project costs are expected to be as described in table below:

PROJECT COST	TOTALS
Initial Building Purchase	\$69,500,000.00
Professional Services (Project Management, Design, and Related)	\$13,286,866.00
CMAR Construction Contract (Including Owner's Construction Contingency Allowance)	\$137,076,188.00
Administrative Costs (Staff Time, Additional ITS, AV, Security, Building Infrastructure, Major Maintenance, FF&E, and Moving Costs)	\$3,575,946.00
Project Contingency	\$3,000,000.00
PROJECT TOTAL	\$226,439,000.00

This project is funded from a mix of funds, including Tax Note 2021 A, Tax Note 2021 B Taxable, Tax Notes 2022, Certificates of Obligation 2023, ARPA, PEG, Operational. 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, proceeds will reimburse the General Fund.

Funding is budgeted in the Property Management Department's Tax Note 2021 A & Certificate of Obligation 2023 Funds for the purpose of funding the City Hall Move 100 Energy Way project, as appopriated.

There are several operating and maintenance costs associated with the Future City Hall. These costs will be better defined as the phases are designed, and the sale of annexes and other downtown facilities are realized. The annual operating and maintenance cost will be presented to City Council at a future date.

Waiver of Building Permit Fees - In accordance with the City Code of Ordinances, Part II, Chapter 7-1 Fort Worth Building Administrative Code, Section 109.2.1, Exception 2; "Work by non-City personnel on property under the control of the City of Fort Worth shall be exempt from the permit fees only if the work is for action under a contract that will be or has been approved by City Council with notes in the contract packages stating the fee is waived."

DIVERSITY AND INCLUSION BUSINESS EQUITY OFFICE: Linbeck Group, LLC is in compliance with the City's Business Equity Ordinance by committing to 30% MWBE participation on this project. The City's MWBE goal on this project is 30%.

The Future City Hall is to be located in COUNCIL DISTRICT 9 but will benefit ALL COUNCIL DISTRICTS.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the Certificate of Obligation 2023 & Tax Note 2021 A Funds for the City Hall Move 100 Energy Way project to support the approval of the above recommendation and execution of the amendments to the contracts. Prior to any expenditure being incurred, the Property Management Department has the responsibility of verifying the availability of funds.

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