

Memorandum 11-015 Recommendation to Award City Hall Renovation & Expansion Project

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Memorandum Status: Backup

MEMORANDUM 11-015

TO: MAYOR HORNADAY AND CITY COUNCIL
FROM: CITY HALL RENOVATION AND EXPANSION TASK FORCE
DATE: January 19, 2011
RE: RECOMMENDATION TO AWARD PROJECT

During the regular meeting on January 17, 2011 the members of the Task Force agreed by consensus to forward a recommendation to City Council to award the City Hall Renovation and Expansion Project to Steiner's North Star Construction, Inc.

Below is the excerpt from those minutes:

NEW BUSINESS

A. Review of Fee Proposal and Recommendation to Council

Chair Abboud requested a motion to bring item to the floor for discussion.

WYTHE/ROBERTS - MOVED TO BRING REVIEW OF FEE PROPOSAL TO THE FLOOR FOR DISCUSSION.

There was no discussion.

Motion to discuss approved by consensus of the Task Force.

Ms. Wythe requested clarification on the final dollar amount for the project. If the final fee proposal and assumed general conditions costs was on top of the actual construction costs. Chair Abboud queried if this was a usual and customary charge and comparable to industry standards or not. He invited Mr. Meyer to add further comment and information on this item.

Excerpt from January 17, 2011 Regular meeting Minutes, New Business Item A. continued

Public Works Director Meyer explained that this percentage fell in line with what he was expecting, around 10% to 15% of the costs and that this fee would be in the same range. This amount actually reflects the contractors profit and administrative office costs. He elaborated that Mr. Steiner and he attended a webinar about avoiding the pitfalls on this type of contract which explained and fully outlined how important it was to identify the actual costs included in the general conditions of the contract and what is normally included in the fee. It was very informative for both of them. Mr. Meyer further commented that last time this approach was attempted the project was much more difficult to define and there were multiple proposers going through at this level in the process. He stated he was comfortable with the Final Fee Proposal percentage as submitted.

Ensuing discussion included the total funds available and possible additional funding sources; the remaining funds distribution for the project would include all costs. It was noted that in the August 30, 2010 packet on page 21 a

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projected amount of \$1.872 was broken down and using this figure the amount is currently above by approximately \$100 thousand but there would be funds made available from the Energy Efficiency funds.

Chair Abboud requested a motion to accept the Fee Proposal and General Conditions if there were no further need for discussion.

WYTHE/ROBERTS - MOVED TO ACCEPT THE FEE PROPOSAL AND GENERAL CONDITIONS AND FORWARD THE RECOMMENDATION TO COUNCIL.

There was no further discussion.

The motion was approved by consensus of the Task Force

Related Resolutions **Memorandum - Related Resolutions:** [Resolution 11-010 Awarding a GC/CM Contract with Steiner's North Star Construction, Inc. for City Hall Renovation & Expansion Project](#)

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