

Legislation Text

File #: BILL NO. 22-165, **Version:** 1

An Ordinance authorizing the execution of an amendment to an agreement between the City of Lee's Summit, Missouri, and McCown Gordon Construction Company to set a Guaranteed Maximum Price for the reconstruction of fire station 4 and fire station 5 in the amount of \$16,796,594.00.

(Note: First read by City Council on August 16, 2022. Passed by unanimous vote.)

Issue/Request:

An Ordinance authorizing the execution of an amendment to an agreement between the City of Lee's Summit, Missouri, and McCown Gordon Construction Company to set a Guaranteed Maximum Price for the reconstruction of fire station 4 and fire station 5 in the amount of \$16,796,594.00.

Key Issues

Fire station 4 and fire station 5 were identified as needing replaced, which was approved by the voters by way of a no-tax increase general obligation bond ballot question in August of 2019.

The City contracted with GLMV Architects, for architectural services to begin the process.

The Procurement Department provided services which allowed the City to identify a qualified company which could complete projects as a Construction Manager at Risk (CMAR).

Following a qualification-based selection process the City entered into a base contract with McCown Gordon Construction Company for preconstruction services and to establish a Guaranteed Maximum Price (GMP) for the City to determine if it wished to accept such GMP amendment to the base contract.

The GMP submitted by McCown Gordon Construction is within the budgeted amount set by City Council for said project, contingent upon approval of a budget amendment to utilize additional funds for this project.

Proposed City Council Motion:

I move for adoption of an Ordinance authorizing the execution of an amendment to an agreement between the City of Lee's Summit, Missouri, and McCown Gordon Construction Company to set a Guaranteed Maximum Price for the reconstruction of fire station 4 and fire station 5 in the amount of \$16,796,594.00.

Background:

Current fire station 4 and fire station 5, built in 1977 and 1980 respectively, were identified by staff and

approved by City Council as needing replaced through a no-tax increase general obligation bond initiative which was approved by the voters in August of 2019. The need for replacement was due to the age and condition of the buildings, as well as due to growth of the City and the fire department which exceeded the capacity these stations could provide. This initiative provided project funding in the amount of \$10.5 million.

A qualification-based selection process was conducted and GLMV Architects was selected to provide architectural services for the projects, to which that agreement was finalized in March of 2021. A second qualifications-based selection process was conducted for Construction Manager at Risk (CMAR) services for which McCown Gordon Construction Company was selected and the City entered into an agreement for preconstruction services and to perform as the construction manager in April of 2021.

Several sites were evaluated to relocate fire station 4 and fire station 5, based on availability as well as consideration of long-term strategic planning. Two sites were identified through this process, and were subsequently purchased by the City out of the bond funding.

After the project budget was established and presented to the voters who passed the ballot question, the economic and construction environment went through a major shift due to the COVID pandemic. This resulted in conditions that caused the previously recommended and approved budget to fund these projects to be exceeded. Understanding this early on in the process, the design proceeded with the base requirements for design to allow for current use as well as capacity for future increases in staffing, as well as design to allow for best practices in the fire service. All other non-essential components were left out of the design. This design was competitively bid by the contractor to establish the GMP amount. Funding to close the gap between the GMP amount provided by the contractor and the established budget was identified to bring the project back within budget, contingent upon recommendation by the Finance and Budget Committee, and approval by the City Council.

Brian Austerman, Deputy Fire Chief

Staff recommends approval of an Ordinance authorizing the execution of an amendment to an agreement between the City of Lee's Summit, Missouri, and McCown Gordon Construction Company to set a Guaranteed Maximum Price for the reconstruction of fire station 4 and fire station 5 in the amount of \$16,796,594.00.