

ST. PETERSBURG CITY COUNCIL

REVISED
JUN 09 2017

Meeting of June 15, 2017

REPORT

TO: The Honorable Darden Rice, Chair, and Members of City Council

SUBJECT: A resolution approving the partial guaranteed maximum price ("GMP") proposal – balance of the work in the amount of \$58,615,523 for The New Police Headquarters Project ("Project"); accepting the final GMP proposal in an amount not to exceed \$61,729,374 (which includes the partial GMP proposal- Sitework approved on April 6, 2017 and the above referenced partial GMP proposal – balance of the work) submitted by Ajax Building Corporation ("Ajax") on May 26, 2017; authorizing the Mayor or his designee to execute a second amendment to the construction manager at risk agreement with a guaranteed maximum price ("CMAR Agreement") between the City of St. Petersburg, Florida and Ajax dated August 21, 2015, as amended ("Contract"), to incorporate the final GMP proposal into the Contract and modify other necessary provisions; approving a supplemental appropriation in the amount of \$17,206,149 from the unappropriated balance of the Public Safety Capital Improvement Fund (3025) to the Police Facility/EOC Project (12847); approving transfers in the amount of \$2,180,903 from the Banc of America Leasing & Capital Fund (2017) from the proceeds of a taxable Non ad valorem Revenue Note, Series 2017E for the solar photo voltaic system, and in the amount of \$46,872,450 from the TD Bank, N.A. Fund, (2018), \$40,000,000 from the proceeds of a Non ad valorem Revenue Note, Series 2017C for the construction of the Police Headquarters and \$6,872,450 from the proceeds of a Non ad valorem Revenue Note, Series 2017D for the construction of the parking garage and to reimburse the Police Facility/EOC Project for the design phase of the Police Training Facility to the General Capital Improvement Fund (3001); approving a supplemental appropriation in the amount of \$49,053,353 from the increase in the unappropriated balance of the General Capital Improvement Fund (3001) resulting from these transfers to the Police Facility/EOC Project (Engineering & CID Project No. 11234-018; Oracle Project No. 12847) for the remainder of construction and other work necessary to complete the project such as the furniture, fixtures, technology and equipment, project administration and inspection services, testing, permitting costs, and other project costs.

EXPLANATION: On August 20, 2015, City Council approved a Construction Manager at Risk Agreement with a Guaranteed Maximum Price ("CMAR Agreement") with Ajax for preconstruction and construction phase services for the new St. Petersburg Police Headquarters. Preconstruction phase services were authorized in an amount not to exceed \$300,000 and have been completed. The preconstruction phase services included obtaining competitive bids from qualified subcontractors based on the 100% completed construction documents. On April 6, 2017 City Council approved a Partial GMP Proposal – SiteWork in the amount of \$3,113,851 in order to advance the sitework on the new Police Headquarters project and the City and Ajax executed the First Amendment to the CMAR Agreement on April 13, 2017. Notice to Proceed was issued on May 1, 2017, effectively commencing the construction on the new Police Headquarters.

On May 26, 2017, Ajax submitted a Final GMP Proposal (which includes the Partial GMP Proposal for the Site Work and the Partial GMP - Balance of the Work) incorporating all labor, material and equipment necessary to construct a three-story 114,863 SF Administrative Building, a two-story 54,730 SF Property & Evidence Annex Building, a one-story 9,710 SF Equipment Building/Central Energy Plant and a four level parking garage totaling 321 parking spaces. The Final GMP Proposal also includes the Solar Photo Voltaic system on the roof of the parking garage in the

E-1

amount of \$2,180,903. Upon acceptance of the Final GMP Proposal and approval of a Second Amendment to the CMAR Agreement, as amended, by City Council, the Final Guaranteed Maximum Price for the complete work will be incorporated into the Contract via the Second Amendment.

The Final GMP Proposal is based on the following i) the completed civil, architectural, landscape architectural, structural, mechanical, plumbing and electrical contract drawings and project specifications as prepared by Harvard Jolly Inc.; ii) a listing of clarifications, qualifications and assumptions made by Ajax in preparation of the Final GMP Proposal which further defines the scope of the site work; and iii) the anticipated schedule for the sitework.

Ajax developed a competitive bid process and obtained City approval of the process prior to soliciting competitive bids. Ajax obtained bids on over forty (40) separate bid packages. Ajax tabulated and analyzed all of the bids and submitted to the City all the low, responsive bids proposed for construction work for the City's approval. The subtotal value of all the subcontractor bids for the complete work is \$ 53,720,019. Of this amount, \$ 1,729,541 was approved within the Partial GMP Proposal for the SiteWork. In addition to the cost of the subcontracted work, the Final GMP Proposal will include the bonds and insurance, Builder's Risk Insurance, Ajax's General Conditions, Ajax's Contingency and Ajax's overhead and fee. A City Contingency is also included.

The Final GMP Proposal includes the following:

Subcontractor Cost of the Work	\$ 53,720,019
General Conditions	\$ 2,926,679
Bonds, Insurance & Warranty	\$ 1,226,473
Ajax's Contingency	\$ 1,654,700
City's Contingency	\$ 300,000
Ajax - Construction Manager's Fee	\$ 1,901,503
Total Final GMP Proposal	\$ 61,729,374
 Less Partial GMP Proposal – SiteWork	 (\$3,113,851)
 Partial GMP Proposal – Balance of the Work	 \$ 58,615,523

The Final GMP Proposal is within the adjusted amount of the Construction Cost Budget for the project. This includes the full cost of the garage as well as the Solar Photo Voltaic panels. The Final GMP Proposal also includes an Add Alternate in the amount of \$379,832 to provide concrete paving in the parking lot in lieu of asphalt paving. This Add Alternate was not selected due to budget limitations, however, Ajax will continue to hold this value and it is Administration's intent to perform this work with anticipated project savings resulting from the Owner Direct Purchase (ODP) sales tax saving program. The ODP sales tax savings will be credited to the City via a deductive Change Order and added to the City's Contingency. At no time will the addition of the Add Alternate exceed the Final GMP without City Council approval.

Upon execution of the Second Amendment to incorporate the Final GMP into the CMAR Agreement, as amended, Ajax will complete the sitework and proceed with building foundations and leading to completion of the balance of the work. The duration for the Work is twenty-two (22) months.

RECOMMENDATION: Administration recommends City Council approve the attached resolution approving a partial guaranteed maximum price ("GMP") proposal – balance of the work in the amount of \$58,615,523 for The New Police Headquarters Project ("Project"); accepting the final GMP proposal in an amount not to exceed \$61,729,374 (which includes the partial GMP proposal-Sitework approved on April 6, 2017 and the above referenced partial GMP proposal – balance of the work) submitted by Ajax Building Corporation ("Ajax") on May 26, 2017; authorizing the Mayor or his designee to execute a second amendment to the construction manager at risk agreement with a guaranteed maximum price ("CMAR Agreement") between the City of St. Petersburg, Florida and Ajax dated August 21, 2015, as amended ("Contract"), to incorporate the final GMP proposal into the Contract and modify other necessary provisions; approving a supplemental appropriation in the amount of \$17,206,149 from the unappropriated balance of the Public Safety Capital Improvement Fund (3025) to the Police Facility/EOC Project (12847); approving transfers in the amount of \$2,180,903 from the Banc of America Leasing & Capital Fund (2017) from the proceeds of a taxable Non ad valorem Revenue Note, Series 2017E for the solar photo voltaic system, and in the amount of \$46,872,450 from the TD Bank, N.A. Fund, (2018), \$40,000,000 from the proceeds of a Non ad valorem Revenue Note, Series 2017C for the construction of the Police Headquarters and \$6,872,450 from the proceeds of a Non ad valorem Revenue Note, Series 2017D for the construction of the parking garage and to reimburse the Police Facility/EOC Project for the design phase of the Police Training Facility to the General Capital Improvement Fund (3001); approving a supplemental appropriation in the amount of \$49,053,353 from the increase in the unappropriated balance of the General Capital Improvement Fund (3001) resulting from these transfers to the Police Facility/EOC Project (Engineering & CID Project No. 11234-018; Oracle Project No. 12847) for the remainder of construction and other work necessary to complete the project such as the furniture, fixtures, technology and equipment, project administration and inspection services, testing, permitting costs, and other project costs.

COST/FUNDING/ASSESSMENT INFORMATION: Funds will be available after a supplemental appropriation in the amount of \$17,206,149 from the unappropriated balance of the Public Safety Capital Improvement Fund (3025) to the Police Facility/EOC Project (Engineering & CID Project No. 11234-018; Oracle Project No. 12847), the approval of a transfer of \$2,180,903 from the Banc of America Leasing & Capital Fund (2017) to the General Capital Improvement Fund (3001) for the solar photo voltaic system; approval of a transfer in the amount of \$46,872,450 from the TD Bank, N.A. Fund (2018) to the General Capital Improvement Fund (3001) for the construction of the Police Headquarters, the construction of the parking garage and to reimburse the Police Facility/EOC Project for the design phase of the Police Training Facility; and a supplemental appropriation in the amount of \$49,053,353 from the increase in the unappropriated balance of the General Capital Improvement Fund (3001) resulting from these transfers to the Police Facility/EOC Project (Engineering & CID Project No. 11234-018; Oracle Project No. 12847) for the remainder of construction and other work necessary to complete the project such as the furniture, fixtures, technology and equipment, project administration and inspection services, testing, permitting costs, and other necessary costs.

ATTACHMENTS: Resolution, Final GMP Proposal

APPROVALS:

A large, dark, scribbled-out handwritten signature.

Administrative

Final

A handwritten signature in cursive script, appearing to read "Steve McKee".
Budget

RESOLUTION NO. 2017-____

A RESOLUTION APPROVING THE PARTIAL GUARANTEED MAXIMUM PRICE ("GMP") PROPOSAL – BALANCE OF THE WORK IN THE AMOUNT OF \$58,615,523 FOR THE NEW POLICE HEADQUARTERS PROJECT ("PROJECT"); ACCEPTING THE FINAL GMP PROPOSAL IN AN AMOUNT NOT TO EXCEED \$61,729,374 (WHICH INCLUDES THE PARTIAL GMP PROPOSAL- SITEWORK APPROVED ON APRIL 6, 2017 AND THE ABOVE REFERENCED PARTIAL GMP PROPOSAL – BALANCE OF THE WORK) SUBMITTED BY AJAX BUILDING CORPORATION ("AJAX") ON MAY 26, 2017; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE A SECOND AMENDMENT TO THE CONSTRUCTION MANAGER AT RISK AGREEMENT WITH A GUARANTEED MAXIMUM PRICE ("CMAR AGREEMENT") BETWEEN THE CITY OF ST. PETERSBURG, FLORIDA AND AJAX DATED AUGUST 21, 2015, AS AMENDED ("CONTRACT"), TO INCORPORATE THE FINAL GMP PROPOSAL INTO THE CONTRACT AND MODIFY OTHER NECESSARY PROVISIONS; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$17,206,149 FROM THE UNAPPROPRIATED BALANCE OF THE PUBLIC SAFETY CAPITAL IMPROVEMENT FUND (3025) TO THE POLICE FACILITY/EOC PROJECT (12847); APPROVING TRANSFERS IN THE AMOUNT OF \$2,180,903 FROM THE BANC OF AMERICA LEASING & CAPITAL FUND (2017) FROM THE PROCEEDS OF A TAXABLE NON AD VALOREM REVENUE NOTE, SERIES 2017E FOR THE SOLAR PHOTO VOLTAIC SYSTEM, AND IN THE AMOUNT OF \$46,872,450 FROM THE TD BANK, N.A. FUND (2018), \$40,000,000 FROM THE PROCEEDS OF A NON AD VALOREM REVENUE NOTE, SERIES 2017C FOR THE CONSTRUCTION OF THE POLICE HEADQUARTERS AND \$6,872,450 FROM THE PROCEEDS OF A NON AD VALOREM REVENUE NOTE, SERIES 2017D FOR THE CONSTRUCTION OF THE PARKING GARAGE AND TO REIMBURSE THE POLICE FACILITY/EOC PROJECT FOR THE DESIGN PHASE OF THE POLICE TRAINING FACILITY TO THE GENERAL CAPITAL IMPROVEMENT FUND (3001); APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$49,053,353 FROM THE INCREASE IN THE UNAPPROPRIATED BALANCE OF THE GENERAL CAPITAL IMPROVEMENT FUND (3001) RESULTING FROM THESE TRANSFERS TO THE POLICE FACILITY/EOC PROJECT (ENGINEERING & CID PROJECT NO. 11234-018; ORACLE PROJECT NO. 12847) FOR THE REMAINDER OF CONSTRUCTION AND OTHER WORK NECESSARY TO COMPLETE THE PROJECT SUCH AS THE FURNITURE, FIXTURES, TECHNOLOGY AND EQUIPMENT, PROJECT ADMINISTRATION AND INSPECTION SERVICES, TESTING, PERMITTING COSTS, AND OTHER PROJECT COSTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of St. Petersburg, Florida ("City") and Ajax Building Corporation ("Ajax") entered into a Construction Manager at Risk Agreement with a Guaranteed Maximum Price ("Contract") on August 21, 2015 for Ajax to provide preconstruction and construction phase services for the new Police Headquarters Project; and

WHEREAS, following execution of the Contract, the City authorized Ajax to provide the preconstruction phase services in an amount not to exceed \$300,000; and

WHEREAS, on April 13, 2017, the City and Ajax executed the First Amendment to the Contract to incorporate the Partial GMP Proposal for the Sitework into the Contract, modify certain provisions including a reduction in the amount of liquidated damages, and add additional provisions; and

WHEREAS, in accordance with the Contract (as amended) requirements, Ajax has submitted the Partial GMP Proposal for the Balance of the Work and the Final GMP Proposal in an amount not to exceed \$61,729,374 (which includes the Partial GMP Proposal- Sitework approved on April 6, 2017 and the Partial GMP Proposal – Balance of the Work) to the City for review and acceptance; and

WHEREAS, the City desires to execute the Second Amendment to the Contract (as amended) with Ajax to incorporate the Final GMP Proposal into the Contract (as amended) and modify other necessary sections of the Contract (as amended); and

WHEREAS, funding for the Final GMP and other project expenses will be available after (i) a supplemental appropriation in the amount of \$17,206,149 from the unappropriated balance of the Public Safety Capital Improvement Fund (3025) to the Police Facility/EOC Project (12847), (ii) transfers in the amount of \$2,180,903 from the Banc of America Leasing & Capital Fund (2017) and in the amount of \$46,872,450 from the TD Bank, N.A. Fund (2018) to the General Capital Improvement Fund (3001), and (iii) a supplemental appropriation in the amount of \$49,053,353 from the increase in the unappropriated balance of the General Capital Improvement Fund (3001) resulting from the above transfers to the Police Facility/EOC Project (12847).

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that the Partial Guaranteed Maximum Price (“GMP”) Proposal – Balance of the Work in the amount of \$58,615,523 for the New Police Headquarters Project is hereby approved.

BE IT FURTHER RESOLVED that the Final GMP Proposal in an amount not to exceed \$61,729,374 (which includes the Partial GMP Proposal- Sitework approved on April 6, 2017 and the Partial GMP Proposal – Balance of the Work) submitted by Ajax Building Corporation (“Ajax”) on May 26, 2017 is hereby accepted.

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute the Second Amendment to the Construction Manager at Risk Agreement with a Guaranteed Maximum Price between the City of St. Petersburg, Florida, and Ajax dated August 21, 2015, as amended (“Contract”), to incorporate to incorporate the Final GMP Proposal into the Contract and modify other necessary provisions.

BE IT FURTHER RESOLVED that there is hereby approved from the unappropriated balance of the Public Safety Capital Improvement Fund (3025) the following supplemental appropriation for FY 2017:

Public Safety Capital Improvement Fund (3025)

Police Facility/EOC Project (12847)

\$17,206,149

BE IT FURTHER RESOLVED that there is hereby approved the following transfers from the Banc of America Leasing & Capital Fund (2017) and the TD Bank, N.A. Fund (2018) for FY 2017:

Banc of America Leasing & Capital Fund (2017)

Transfer to: General Capital Improvement Fund (3001) \$2,180,903

TD Bank, N.A. Fund (2018)

Transfer to: General Capital Improvement Fund (3001) \$46,872,450

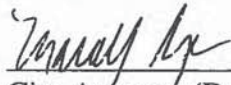
BE IT FURTHER RESOLVED that there is hereby approved from the increase in the unappropriated balance of the General Capital Improvement Fund (3001), resulting from the above transfers the following supplemental appropriation for FY 2017:

General Capital Improvement Fund (3001)

Police Facility/EOC Project (12847) \$49,053,353

This resolution shall become effective immediately upon its adoption.

Approved by:



City Attorney (Designee)

Approved by:



Breesh Prayman, P.E., ENV SP
Engineering and Capital Improvements Director

Approved by:



Budget

326248 FINAL

June 15 City Council Meeting