



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/4/2018

District I

Item Creation Date: 11/9/2018

25CONS363 – Award Construction Manager at Risk Contract – Times Construction, Inc. –
Renovation and relocation at 611 Walker - 5th, 8th and 9th floors, and 2805 McKinney

Agenda Item#: 56.

Summary:

NOT A REAL CAPTION

ORDINANCE appropriating \$7,346,000.00 out of Water and Sewer System Consolidated Construction Fund; approving and authorizing Construction Manager at Risk Contract between the City of Houston and **TIMES CONSTRUCTION, INC.** for pre-construction and construction phase services for the renovation of the 5th, 8th and 9th floors at 611 Walker, and the relocation/renovation of the 2805 McKinney Street building - **DISTRICT I - GALLEGOS**

Background:

RECOMMENDATION: Award Construction Manager at Risk Contract and appropriate funds for the project.

SPECIFIC EXPLANATION: On August 26, 2017, Hurricane Harvey inundated City Hall Basement with rising flood water displacing the Strategic Procurement Division (SPD). Subsequently, in February 2018, HITS was displaced due to a broken fire sprinkler that flooded the 8th and 9th floors of 611 Walker. Due to these unfortunate circumstances, HITS and SPD are currently occupying lease space at 1100 Louisiana Street. The lease will expire in December 2019 and includes a \$500,000 per day penalty for holding over. To relocate these employees back into City facilities, the City will reconfigure various spaces to create proximities that meet the operational needs of all affected groups.

The following relocations will occur:

- **3-1-1 Call Center:** Currently at 611 Walker, 5th floor – Relocating to 2805 McKinney, 2nd and 3rd Floors
- **Fleet Management Department:** Currently at City Hall Annex Ground Level – Relocating to 611 Walker, 5th Floor
- **Strategic Procurement Division:** Currently at 1100 Louisiana (lease space) – Relocating to City Hall Annex Ground Level
- **HITS:** Currently at 1100 Louisiana (lease space) – Relocating to 611 Walker, 8th and 9th Floors

Therefore, the General Services Department (GSD) recommends that City Council award a Construction Manager at Risk (CMAR) Contract to Times Construction, Inc. to provide pre-construction and construction phase services for the renovation of the 5th, 8th and 9th floors at 611 Walker, and the relocation/renovation of the 2805 McKinney Street building. The requested appropriation will fund pre-construction and construction phase services.

On July 13 and July 20, 2018, GSD advertised a Request for Qualifications containing selection criteria that ranked respondents on pre-construction and construction management experience, key personnel experience, key personnel's office relocation, and firm's safety rating. The Statements of Qualifications (SOQ) were due on August 2, 2018, and six firms responded. GSD evaluated the respondents and interviewed the three highest ranked firms. Times Construction, Inc. ranked highest in combined scores from the SOQ evaluation and interview and offers the best value for the City based on the advertised criteria.

PROJECT LOCATIONS: 611 Walker and 2805 McKinney, Houston, TX 77002

PROJECT DESCRIPTIONS:

- Floor 5 at 611 Walker will be renovated to accommodate the Fleet Management Department and allow the future expansion of other groups to occupy the floor. The renovation will reconfigure the current layout and increase the total number of work stations.
- Floors 8 and 9 at 611 Walker will be renovated to completely remove/mitigate all water damaged materials due to a broken fire sprinkler. The renovation will also reconfigure the current floor layout and increase the total number of work stations for HITS.
- Floors 2 and 3 at 2805 McKinney is currently a combined 12,000 sq. ft. empty shell space. This buildout will include a conference room, breakroom, furniture, administrative offices, and a new elevator for the 3-1-1 Call Center. The work also includes new lighting, paving, fencing, and striping at the adjacent parking lot to provide parking for additional employees.

FUNDING SUMMARY: It is recommended that City Council award a CMAR contract to Times Construction, Inc., and appropriate funds for pre-construction and construction phase services, including an additional appropriation of \$20,000.00 for materials testing services under the existing contract with Kleinfelder, Inc..

The following amounts for construction and contingency are based on the construction manager's estimate of costs. The final cost of construction will be submitted to the director for approval as part of the Guaranteed Maximum Price (GMP) proposal.

\$ 60,000.00	Pre-Construction Phase Services
\$6,458,000.00	Construction Cost (Estimate)
<u>\$ 645,800.00</u>	10% Contingency (Estimate)
\$7,163,800.00	Total Estimated Contract Services
\$ 20,000.00	Materials Testing
\$ 113,015.00	Civic Art (1.75%)
<u>\$ 49,185.00</u>	Salary Recovery
\$7,346,000.00	Total Funding

CONSTRUCTION GOALS: An 18% MBE goal and 10% WBE goal have been established for the construction phase of this contract. The construction manager will submit the list of proposed certified sub-contractors with the issuance of the GMP proposal


PAY OR PLAY PROGRAM: The proposed contract requires compliance with the City's 'Pay or Play' Ordinance regarding health benefits for employees of City contractors. In this case, the contractor elects to pay and play; providing health benefits for some employees but will pay into the Contractor Responsibility Fund for others, in compliance with City policy.

HIRE HOUSTON FIRST: The proposed contract requires compliance with the City's 'Hire Houston First' (HHF) Ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, Times Construction, Inc. is HHF designated and was awarded the contract based on their designation.

CIP FISCAL NOTE: No significant Fiscal Operating impact is anticipated as a result of this project.

WBS No: D-200002-0001-4-01-01

DIRECTOR'S SIGNATURE/DATE:


C. J. Messiah, Jr.
General Services Department

Carol Haddock, P.E.
Houston Public Works

Amount of Funding:

\$ 7,346,000.00 – PWE - W & S System Consolidated Construction Fund (8500)

Contact Information:

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ATTACHMENTS:

Description	Type
<u>611 Walker Maps</u>	Backup Material
<u>McKinney Maps</u>	Backup Material
<u>Clear Tax Report</u>	Backup Material
<u>Form A Fair Campaign</u>	Backup Material

Form B

1295

CIP FORM A

Backup Material

Backup Material

Backup Material