


COUNCIL COMMUNICATION

	Number:	24-194	Meeting:	May 6, 2024
	Agenda Item:	12	Roll Call:	24-0645
	Submitted by:	John F. TeKippe, Fire Chief, James M. Hoff, Assistant City Manager, and Steven L. Naber, P.E., City Engineer		

AGENDA HEADING:

Approving Interim Guaranteed Maximum Price (GMP) Amendment 1 with Ryan Companies US, Inc. for Construction Manager at Risk services for the Des Moines Fire Station No. 4 Replacement, not to exceed \$239,705.46.

SYNOPSIS:

Recommend approval of the Interim Guaranteed Maximum Price Amendment 1 with Ryan Companies US, Inc. (Michael R. McElroy, President, 533 South Third Street, Suite 100, Minneapolis, Minnesota 55415) for a total cost not to exceed \$239,705.46 for the Des Moines Fire Station No. 4 Replacement project.

FISCAL IMPACT:

Amount: \$239,705.46

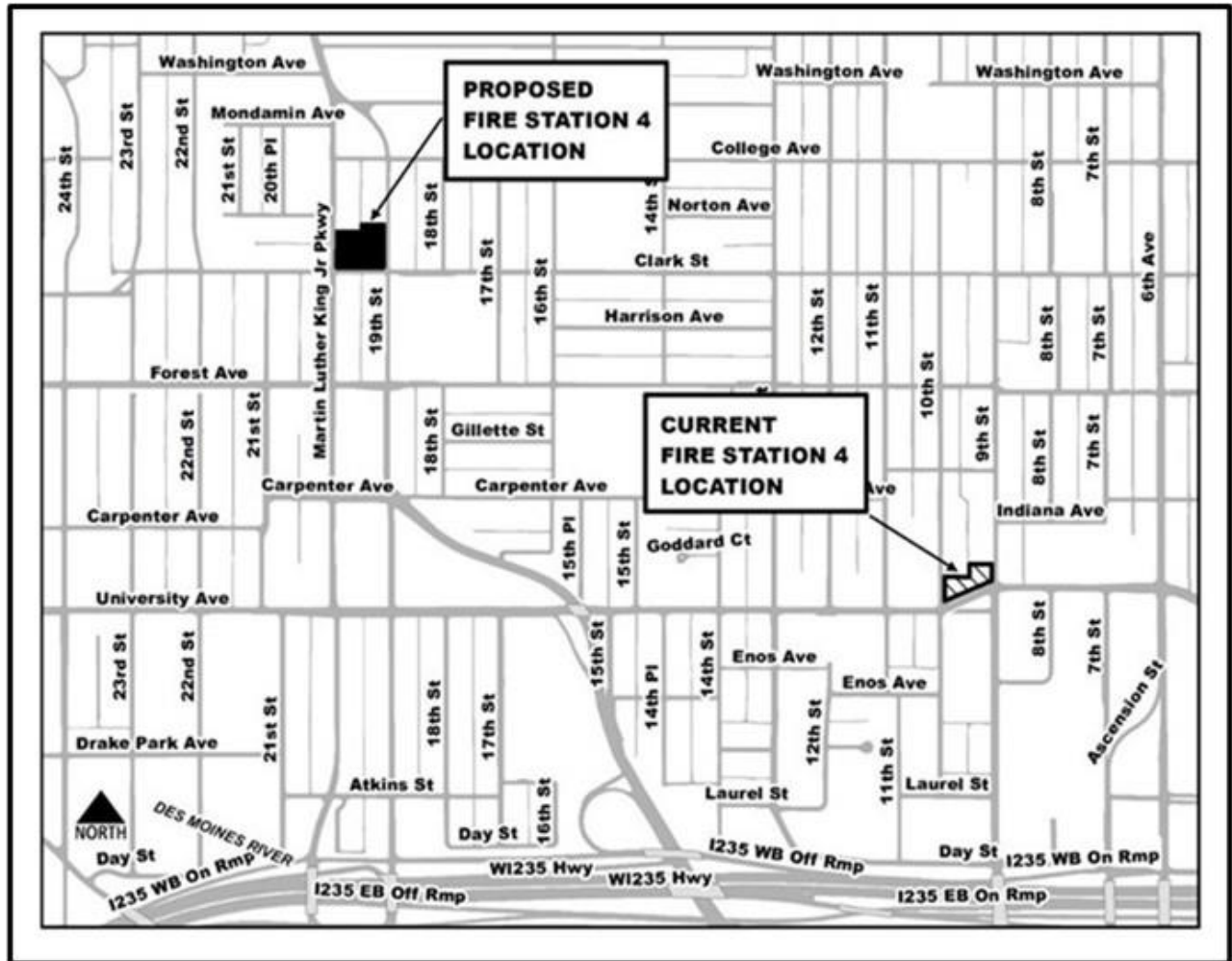
Funding Source: Fiscal Year (FY) 2024-2025 Capital Improvement Program (CIP), Page 35, Fire Station 4, BL136, Being: Ground Emergency Medical Transportation Funds transferred from FY2024-2025 CIP, Page 23, Fire Building Improvements, BL063

ADDITIONAL INFORMATION:

- On July 1, 2022, Senate File 183 established a new Chapter 26A of the Iowa Code, which allows and authorizes public improvement projects to be constructed under the Construction Manager at Risk (CMR, alternatively CMaR) project delivery method.
- CMR is defined in Iowa Code Chapter 26A as a sole proprietorship, partnership, corporation, or other legal entity that assumes the risk for construction, rehabilitation, alteration, or repair of a project and provides consultant services to the government entity in the project development and design phases, working collaboratively with the design professionals involved. A CMaR project delivery method involves the negotiation of a GMP for the project with a construction manager who agrees to complete the project for the public entity-owner within the GMP. The GMP includes the cost of the construction work (including work performed by subcontractors and any self-performed work by the construction manager), plus the construction manager's negotiated fee. CMR cannot be used on highway, bridge or culvert construction projects.

- City staff prepared and issued a Notice of Intent (NOI), Request for Qualifications (RFQ), and Request for Proposals (RFP) with the intention of being used to procure a CMR. Ryan Companies US, Inc. was selected to provide CMR services for this project based upon the selection criteria in the RFQ and RFP, as well as their demonstrated project approach, understanding, and related project experience.
- The Scope of Services performed by the Construction Manager under this Agreement for pre-construction services has included design review and constructability recommendations, scheduling, cost estimating, value engineering, construction bid packaging, and subcontractor and supplier procurement.
- The Construction Manager has assembled a bid package for long lead-time electrical equipment, to allow for the early procurement of this equipment to expedite the construction schedule. The Construction Manager has posted an RFQ, evaluated qualifications, and issued bid documents to qualified subcontractors to submit a bid. The Construction Manager and City have opened, reviewed, and tabulated the bids. The Waldinger Corporation has been deemed the lowest responsive, responsible bidder to be the Construction Manager's subcontractor for this scope of work.
- The Construction Manager has prepared an Interim GMP proposal for this long lead-time electrical equipment, including the Cost of the Work, contingencies, and the Construction Manager's Fee percentage as established in the RFP. This Interim GMP amendment to the original Agreement requires Council action to allow the early procurement of long lead-time electrical equipment, which is anticipated to save approximately one (1) month of construction time.
- This GMP Amendment also amends the Agreement so that if there is more than one (1) GMP Proposal submitted for the Project, then each subsequent proposal will incorporate the prior agreed upon GMP to ensure there is one (1) cumulative GMP for the Project.
- A subsequent Cumulative GMP amendment to award the remainder of the construction bid packages and begin the construction phase of the project will be brought before the Council for consideration in the summer of 2024.
- As part of the Fire Department's long-term planning for fire station replacement, this project provides for the replacement and relocation of Fire Station No. 4. The new station will be similar in size to the newly constructed Fire Station No. 11 but will also include the addition of a fourth apparatus bay and a stair training tower.
- Fire Station No. 4 was identified as the highest priority replacement project for the Fire Department for two (2) main reasons:
 - The ability to improve service delivery to the residents and guests of Des Moines in that area of the city; and
 - The opportunity to replace the second oldest fire station in the City.
- The current estimated construction cost is \$12,530,000. The design team will prepare proposed plans, specifications, and form of contract documents available for public inspection.

- Pending approval of the subsequent GMP amendment, construction is expected to begin in July 2024 and be completed in December 2025.



PREVIOUS COUNCIL ACTION(S):

Date: October 23, 2023

Roll Call Number: [23-1406](#)

Action: [Authorizing](#) and approving agreement with Ryan Companies US, Inc. for construction manager at risk services for the Des Moines Fire Station No. 4 Replacement, with preconstruction services, not to exceed \$140,100. ([Council Communication No. 23-454](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

City staff anticipate future Council action on this Agreement to approve a GMP Amendment related to proceeding with construction of the Des Moines Fire Station No. 4 Replacement project.

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