



Establishment of criteria for a Design-Build delivery method for Construction Contracts and Approval for the Design and Build of a Bike Park Facility at Hunter Street Park Apex, NC.

Abstract: In accordance with N.C.G.S 143-128.1A the Town of Apex is memorializing criteria that the Town must establish to utilize the design-build method of delivery for construction projects. The Town of Apex Parks Recreation and Cultural Resources Department is seeking to utilize the design-build method of delivery for the additions to Hunter Street Park, 1250 Ambergate Station, Apex NC. This delivery method will provide the needed flexibility to complete the project on time and within budget without sacrificing quality.

Part I: The first step in the process for utilizing the design-build delivery method is that a governmental entity is to establish in writing the criteria used for determining the circumstances under which the design-build method is appropriate for a project. The following is the criteria that is being proposed:

Criteria 1: The Design-Build delivery method may be used if it is determined that, for the project, the Town of Apex has professional personnel that are both qualified and experienced to thoroughly define project requirements prior to the issuance of a request for qualifications (RFQ) for a design-builder. Consideration will be given to the qualifications and experience of the personnel in the Parks Recreation and Cultural Resources Department. Additionally, the Town of Apex should have the availability of professional personnel in the areas of purchasing, finance and legal to assist in the development of an RFQ.

Criteria 2: The design-build delivery method may be used if a project has a firm date by which a facility must be operational and the normal delivery method is likely not to be timely (typically RFQ, study, design, bid and construct). The size and cost of a project will dictate complexity and schedule.

Criteria 3: The ability to ensure that a quality project can be delivered. The design-build delivery method may be used if it is determined that the Town of Apex has experienced personnel to ensure that the design-build firm will provide a quality project within the budget constraints established by Council. Consideration will be given to the qualifications and experience of the personnel in the Parks Recreation and Cultural Resources Department.

Criteria 4: The Town of Apex should have the capacity and ability to manage and oversee the project, this includes the availability of experienced staff or outside consultants who are experienced with the design-build method of project delivery. The design-build delivery method may be used if it is determined that the Town of Apex has professional and experienced personnel that are knowledgeable of design-build projects or, in the alternative, experienced consultants local to the Town of Apex who are available to be retained to perform the construction management of a design-build contract.

Criteria 5: A good-faith effort to comply with G.S. 143-128.2, G.S. 143-128.4, and to recruit and select small business entities. The design-build delivery method may be used if it is determined that, for the project, requirements will be imposed which ensure that contractors will comply with the M/WBE goals outlined in G.S. 143-128.2 and G.S. 143-128.4.

Criteria 6: The criteria utilized by the Town of Apex, including a comparison of the costs and benefits of using the design-build delivery method for a given project in lieu of the other delivery methods identified. The criteria utilized by the Town of Apex when considering a design-build delivery method for a project will be as follows:

1. Is the project well defined and does it include qualitative and quantitative characteristics that make a design-build contract more appropriate than other methods of delivery?
2. Is the project timeline overly constrained and will it be necessary to have the facility complete and operational within a short timeframe?
3. Will it be necessary to have beneficial use of a portion of the facility while it is under construction?
4. Given the scope of the project, is there a maximum budget that must be adhered to in order to allow negotiations and flexibility to make appropriate decisions on scope as the project progresses?
5. Does the design-build delivery method meet the ultimate operational goals established for a given facility and the quality of product achieved as a result of a more fluid and flexible delivery method?

In general terms, if it is determined that the expected expense of a design-build project will be no more than ten percent (10%) greater than the expected expense of a traditional RFQ, study, design, bid and construct project, the design-build delivery method may be utilized.

Part 2: Applying the criteria to the Hunter Street Bike Park Project. The second step for the process in determining whether to use the design build delivery method for a project is to apply the criteria to the project. In applying the criteria to the Hunter

Street Park Bike Addition, it is recommended that the design-build delivery method be used for this project. This determination is based upon a review of the above criteria as it relates to this project as follows:

Criteria 1: Through the Parks Recreation and Cultural Resources Department, the Town of Apex has professional personnel that are both qualified and experienced to thoroughly define project requirements prior to the issuance of a request for qualifications for a design builder. Additionally, professional personnel are available in the areas of purchasing, finance and legal to assist in the development of an RFQ.

Criteria 2: The addition to Hunter Street Park, by way of the Bike Park, will provide the residents of the Town the opportunity to recreate, enhance skills and engage with others in the community. In order to provide residents with this facility, the construction must be completed by October 30, 2024. This is a period of approximately 12-months. Typical procedure would be to procure a design consultant, complete design and then undertake construction. This process would take approximately 18-24 months thus preventing the Town of Apex from providing this facility in a timely manner. The Design-Build process provides the best option for the Town of Apex to meet this timeframe.

Criteria 3: Within the Parks Recreation and Cultural Resources Department, the Town of Apex has professional and experienced personnel to ensure that the design-build firm will provide a quality project within the budget constraints established by Council.

Criteria 4: Within the Parks Recreation and Cultural Resources Department, the Town of Apex has professional and experienced personnel that are knowledgeable of design-build projects. Should it become necessary to contract the construction management of a design-build contract, there are experienced consultants local to the Town of Apex that are available.

Criteria 5: The Town of Apex complies with G.S. 143-128.2, G.S. 143-128.4. The RFQ will include selection criteria evaluation of potential design build firm plans to encourage participation by historically underutilized business firms, as defined by G.S. 143-128.4.

Criteria 6: As stated under Criteria #2, one of the benefits of the Design-Build process is that it may reduce the overall project schedule by 6 to 12 months. This has a direct benefit on the project budget. The design-build delivery method is not expected to involve any additional expense beyond the expected expense of a traditional RFQ, study, design, bid, and project construction. The budget for the renovation of the Hunter Street Bike Park Project is \$225,000.00. By reducing the

time frame by 12 months, we are eliminating the price escalation that would occur within that year. Additionally, the scope of the design efforts will be reduced. This enables more of the approved project budget to go directly towards the physical improvements of the facility. It is expected that the design-build process will enable an extra 5% of existing funds (about \$11,250) to be allocated to the construction over what our typical design-bid-build process would allow. Bike Parks are a unique facility type that involve forming dirt mounds and creating tracks with skill elements made from natural materials such as rocks, boulders, logs, stumps, etc. The use of a design-builder gives the Town of Apex the ability to save additional funds. The Town of Apex is able to do this by utilizing available materials. The material will be incorporated into the design and that can be field adjusted during the construction without requiring additional time delays to update plans. These benefits to both the project schedule and cost make the design-build option more appealing than the more conventional design-bid and construction-bid-build in this instance.

Fiscal Note: There is no fiscal impact to the establishment of this policy and approval of the utilization of design-build delivery method.

Recommendation: Approve the criteria for use of the design-build delivery method and authorize Town staff to move forward with use of the design-build delivery method for the construction of the Hunter Street Bike Park Project.