



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Keenan Smith, TIRZ Project Manager; Michelle Fischer, City Administrator

Council Meeting Date: November 19, 2024

Agenda Item Wording: **Discussion and consideration of possible action on City Council direction to staff regarding Architexas's Task Order #3 Permitting, Bidding, and Construction Administration, and funding for the Stephenson Building Rehabilitation and Improvement Project. Sponsor: Mayor Pro Tem Taline Manassian.**

Agenda Item Requestor: Michelle Fischer, City Administrator

Summary/Background Architectural Construction Documents for the Stephenson Building Renovation and Addition project were completed by Architexas and presented to City Council for acceptance on 6/18/24.

At that time, Council concerns regarding project costs, budgets and funding identification were raised. Project costs were subsequently reviewed, and prospective cost reductions were proposed by an appointed Council Subcommittee, working with the project team and Staff. This Value Engineering (VE) exercise culminated in recommended VE revisions, which were then presented and accepted by City Council on 9/3/24.

Architexas has since incorporated these VE changes and has delivered a 100% CD Set (unstamped) which is now ready for to submit for Building Permits:

https://architexas1-my.sharepoint.com/:f/g/personal/amckinney_architexas_com/EvegKzjh_NdCoclL-HliA8UBTeutszjYGIb_Jz-7AlvI5g?e=CpEGhQ

The FY 2025 Budget line item for the Stephenson Building Project did not include funds for Task Order #3 Permitting, Bidding, and Construction Administration. Task Order #3 costs \$85,975. The City Council may approve Task Order #3 and authorize staff to issue a Notice to Proceed contingent on the appropriation of funding for it and the construction now estimated to be \$3,559,053 (with VE changes). Alternatively, City Council may postpone action on this item so that funding sources for Task Order #3 and the construction of the Stephenson Building rehabilitation and improvements can be considered

along with other large projects proposed for FY 2025. Once funding is appropriated, City Council may consider action on this item.

Task Order #3 would be paid for by the approved TIRZ FY'25 Budget, under "Miscellaneous Consulting" line item. This line item has \$250,000. The bond language can allow for reimbursement of costs related to the project (Task #3) once the debt is issued.

Goal L5: Develop a Facilities Plan for City-owned properties: Renovate Stephenson Building when funding is available and make improvements to adjoining land.

**Commission
Recommendations:**

The Historic Preservation Commission and TIRZ Board continue to be supportive of the project, and a focused Stakeholder Meeting convened on 8/29/24 indicated broad support for the project, emphasizing its Historic Preservation goals, its catalyzing effect as an important civic facility investment in Downtown Dripping Springs, and its potential revitalizing effect on the Mercer Street and Old Fitzhugh Road Historic Districts.

**Recommended
Council Actions:**

Approve Architexas Task Order #3 and authorize Staff to issue Notice to Proceed with Permitting tasks only.

Continue to review and identify funding sources and appropriate funds for constructing the project in the current or FY 2025 Budget.

Attachments:

Description of Task Order #3; Architexas Transmittal Memo; Architexas Professional Services Agreement.

Next Steps/Schedule:

Approve the appropriation of funds for the project in the FY 2025 Budget; approve Task Order #3 and authorize staff to issue a Notice to Proceed.