



STAFF REPORT
City of Dripping Springs
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Dripping Springs, TX 78620

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

Council Meeting Date: June 18, 2024

Agenda Item Wording: **Presentation, discussion, and consideration of approval of the acceptance of the Stephenson Building Rehabilitation and Improvement Project 100% Construction Documents.** *Sponsor: Mayor Pro Tem Taline Manassian. Presenter: Keenan Smith, TIRZ Project Manager and Larry Irsik, Architexas.*

Agenda Item Requestor: Michelle Fischer, City Administrator / Historic Preservation Officer

Summary/Background: The Historic Preservation Commission approved a Certificate of Appropriateness for the adaptive re-use and addition of the Stephenson Building on 4/6/23.

The City Council approved a Professional Services Agreement for Full Architectural Design Services with authorization to proceed with Design Development Phase (Architexas PSA- Task Order #1) on 6/6/23.

The Design Development phase was completed and presented to Council, including a DD cost Estimate on 11/14/23. At that time, authorization to proceed with Construction Documents (Task Order #2) was requested and given by Council.

The Architexas’s PSA is a “Task Order” contract, stipulating that design progress and cost estimate updates be given to Historic Preservation Commission, TIRZ Board, and City Council at the completion of each design phase, requesting City Council acceptance of progress and Staff authorization for Notice to Proceed with next phase Task Order. These built-in “check points” allow the City to monitor design progress, estimated costs, and control the orderly progression of each phase of the work. This Agenda Item is the “Construction Documents Phase Update.”

100% Architectural Construction Documents Drawings (Un-Stamped “Issued for Pricing set) and Final Project Manual (outline specifications) have now been produced by the Architexas (submittal dated 4/26/24). The architect’s live link to access the production CD Drawings and Project Manual is incorporated here for Council review and reference:

https://architexas1-my.sharepoint.com/:f:/g/personal/dridenour_architexas_com/Eu7pBl_gXORPgNUaAS0PaHsBofDGy3KO-1YJ3nXSqROOMQ?e=BfTBuL

The Construction Document phase is an important transition and milestone in the design of a project. The approved design concepts are translated from abstract ideas to physical forms. CDs both describe, in detail, the needed building fabrications, and prescribe the components and overall assembly scheme for a built project. The Construction Documents provide necessary documentation to enable it to progress to regulatory permitting and be put out to bid for actual construction. A refined Estimate of Probable Construction Cost (CD Cost Estimate) is also produced at this stage.

Construction Documents Progress Acceptance: After careful review of the CD submissions and discussion of comments with the architect, Staff finds that the design that has been documented by Architexas remains consistent with all the City's goals and program for adaptive re-use of the building and satisfies all known City requirements.

Advisory Boards and Commissions: The HPC was given a similar update presentation on 6/6/23, and the TIRZ Board was updated in their meeting on 6/10/24. Both the HPC and the TIRZ Board acknowledged the progress and continue to strongly support the project.

Construction Documents Cost Estimate: (Estimate of Probable Construction Costs- EOPCC): A final EOPCC was prepared and submitted 6/3/24 by the Vermuelens, the professional Third-Party Cost Estimator engaged by Architexas. The estimate was extensively reviewed by Architexas, City Staff, and the Project Manager and reflects their comments, recommendations and adjustments.

The Final Construction Documents EOPCC is \$3,930,067 including 4% escalation factor pushing to a projected January 2025 Date of Construction, and includes a 7% "Owners Bidding Contingency" reflecting current construction industry climate volatility and variations in the bidding environment. Staff notes that project schedule delays or pushing the Construction Start date even further out will invariably incur additional escalation costs.

The current estimate is an increase of \$460,445, or 13.2% from the Design Development EOPCC of \$3,469,622 as presented in the DD Update last November. The reasons for the increase include the escalation due to a construction start date of 2025 vs 2024, scope increases for necessary site development and utilities, and inclusion of certain code required, and City specified building systems such as digital lighting, fire alarm & access controls, AV and IT infrastructure. Staff acknowledges direction for, and supports the reasons for these increases, especially those system improvements which will contribute to making the

building more functional, more technologically current, and perform more efficiently.

Architexas and City Staff are prepared to review, discuss and answer any questions or address concerns about any aspect of the 100% CDs, Project Manual Specifications, and Estimate of Probable Construction Costs for this project.

Staff recommends acceptance of the Architectural Construction Documents (CD).

Comprehensive Plan Element: Goal L5: Develop a Facilities Plan for City-owned properties: Evaluate Stephenson Building and determine needed repairs/changes to meet building codes; Develop plan for repair/renovation and reuse, including potential tenants of Stephenson Building and adjoining land; 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 but did not make recommendations on this specific agenda item.

Recommended Council Actions: Approval of the acceptance of the Stephenson Building Rehabilitation and Improvement Project 100% Construction Documents.

Attachments: Staff presentation, construction cost estimate, parking lot concept plan.

Next Steps/Schedule: Consider approval of Task Order #3 Permitting, Bidding, and Construction Administration, contingent on funding.