



City of Ketchum

March 2, 2020

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation To Approve Contract 20454 With CORE | Headwaters Construction LLC for Construction Manager as General Contractor Services

Recommendation and Summary

Staff is recommending the council provide authorization to the Mayor to enter Contract 20454 with CORE | Headwaters LLC (CORE) to provide Construction Manager as General Contractor (CM/GC) Services and adopt the following motion:

"I move to approve Contract 20454 in an amount not to exceed \$42,812 with CORE | Headwaters LLC to provide pre-construction Construction Manager as General Contractor Services for the new fire station subject to legal review."

The reasons for the recommendation are as follows:

- On November 5, 2019, voters in the City of Ketchum approved a ballot question concerning the construction of a fire station.
- The City performed a procurement process in compliance with Idaho Statute 54-4511.
- CORE | Headwaters LLC was selected by a committee of City representatives as the most highly qualified proposer.

Introduction and History

On November 5, 2019, voters in the City of Ketchum approved a ballot question concerning the construction of a fire station using the proceeds from a \$11.5 million bond sale. The \$11.5 million project budget included all project elements.

The City will endeavor to use the construction-manager-as-general-contractor-at-risk delivery method for the fire station project. Idaho Code section 54-4511 provides a process for the public agencies seeking to use this project delivery method. Pursuant to the requirements of Idaho Code, the City intends to contract with CORE for pre-construction services during the design phase. In such an arrangement, CORE will partner with the City's architect (Cole Architects PLLC) and owner's representative (DPPM LLC) during the project design to provide constructability reviews, cost estimating, and similar non-construction professional services. Upon conclusion of the design, CORE will have an opportunity to provide a guaranteed maximum price (GMP) to the City for the construction portion of the project. The City is not obligated to accept CORE's GMP and may elect to pursue another competitive procurement for general contractor work rather than continuing with CORE. Award of the construction phase of the project will return for City Council approval.

Analysis

The City of Ketchum has historically contracted out similar construction work. So, on January 16, 2020, the City of Ketchum released a Request for Proposals (RFP) publicly on its website and also sent the documents to known construction project management firms. The RFP was additionally advertised in the Idaho Mountain Express on January 22 and 29, 2020, and continuously posted on several industry websites during the same period. On February 6, 2020, four proposals were received by the City of Ketchum.

A selection committee reviewed and evaluated the proposals. A short-list of the most highly ranked proposers was created, and interviews were scheduled with three firms on February 13, 2020. As a result of the evaluations, CORE is being recommended to the City Council for contract award.

The proposed contract is a two phased approach. The first phase are services related to pre-construction analysis and review. In the event the City and Core | Headwaters Construction LLC agree on a maximum guaranteed price for the project, staff will return to City Council for approval of the construction phase of this project.

Sustainability

The Council has directed staff to work towards a LEED Silver Certified building. The recommended action will further the goals of the 2020 Ketchum Sustainability Action Plan by building a sustainable structure with LEED Silver Certification.

Financial Impact

Voters in the City of Ketchum approved a ballot question concerning the construction of a fire station using the proceeds from a \$11.5 million bond sale. The \$42,812 contract for pre-construction services will be funded from that sale.

Attachments:

- Attachment A: CORE | Headwaters LLC Proposal
- Attachment B: Contract 20454