



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 6/28/2022

REQUESTER: Jason Olsen, Director of Parks and Recreation

PRESENTER: Jason Olsen, Director of Parks and Recreation

ITEM TITLE: CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AMENDMENT NO. FIVE TO CONTRACT K-2021-115: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND CROSSLAND CONSTRUCTION COMPANY, INC., INCREASING THE CONTRACT AMOUNT BY \$423,737 FOR A REVISED CONTRACT AMOUNT OF \$11,582,248 FOR CONSTRUCTION MANAGER AT RISK SERVICES FOR THE SENIOR WELLNESS CENTER AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

In October of 2015, Norman citizens passed the NORMAN FORWARD initiative, funding various quality of life projects through a ½% sales tax increase over 15 years. The NORMAN FORWARD Initiative included authorization for a project to construct a new Senior Citizen's Center.

After extensive public input over a period of several years, the Senior Citizen's Center project's scope was expanded to a Senior Wellness Center. The Senior Wellness Center is to be located on City-owned land on the southeast corner of Norman Regional Health System's (NRHS) Porter Campus, off of North Findlay Avenue. The new Senior Wellness Center will include an indoor heated saltwater pool with lap swimming, water walking, and hydrotherapy seating; an indoor walking track and training space; fitness- classroom area; lounge and game rooms; both wet and dry craft areas; small prep and demonstration kitchen; and multipurpose rooms that can be used for eating, events, classes, theatrical plays, games, and much more.

Oklahoma City architectural and engineering (A/E) firm Frankfurt, Short, Bruza (FSB) was selected as the A/E consultant for this project in March 2018. FSB has completed the project's schematic design phase, is proceeding with design development and construction documents, and will assist with construction administration through the project completion.

The Senior Citizen's Center was authorized in the Norman Forward initiative in 2015 but was unfunded. The Senior Center was later funded through two Council actions: savings from a long-term land lease instead of a land purchase at Griffin Park (\$7.4 million); and an allocation of \$4.8 million from the federal Coronavirus Act, Relief & Economic Security (CARES) Act reimbursements, for a total of a \$12.4 million budget for construction and design.

DISCUSSION:

On April 13, 2021, City Council approved Contract K-2021-115 with Crossland Construction to provide construction management at-risk (CMaR) services for the Senior Wellness project. The initial contract amount of \$26,320 was approved to provide pre-construction services which, to date, have included plan review, design assistance, bidding services, and value engineering.

On December 14, 2021, City Council approved Amendment No. One to Contract K-2021-115 for a Guaranteed Maximum Price (GMP) of \$2,022,408 for steel fabrication and erection. The first GMP also included construction contingency, general conditions for the entire project, and indirect costs, including bonding, insurance, and CMaR fees (profit), making a then-cumulative total for Contract K-2021-115 of \$2,049,728.

On February 22, 2022, City Council approved Amendment No. Two to Contract K-2021-115 for \$2,758,144 with Crossland Construction for site demolition, foundation, pools, utilities, and portions of the upward construction, making a then-cumulative total for Contract K-2021-115 of \$4,807,872.

On March 22, 2022, City Council approved Amendment No. Three to Contract K-2021-115 for \$1,295,200 with Crossland Construction to fabricate and install the HVAC system for the Senior Wellness Center, making a then-cumulative total for Contract K-2021-115 of \$6,103,072.

On May 24, 2022, City Council approved Amendment No. Four to Contract K-2021-115 for \$5,056,449 with Crossland Construction for Masonry, Miscellaneous Steel, Roofing, Millwork, Metal Panels, Windows and Glazing, Doors, Sheetrock Flooring, Signage, Plumbing, Site Utilities, Electrical, and relocating AT&T utility lines for the Senior Wellness Center, making a then-cumulative total for Contract K-2021-115 of \$11,158,521.

Construction bids for this portion of construction include water proofing; Exterior Insulation and Finish Systems (EIFS); flooring and wall tile specialties; and partitions for the Senior Wellness Center. This bid was opened on April 19, 2022. The total amount for work on the construction phase on Amendment No 5 is (\$423,737) which includes indirect costs and fees of (\$17,158) for a total cumulative amended contract of \$11,528,248.

Amendment/GMP #5 funds are available from net proceeds of the sale of the City's property on the Norman Regional Health System's Porter Campus, with the City receiving \$420,634.20 from that transaction (contract K-2122-82, approved by Council on December 14, 2021). These funds were recorded into the City's Capital Fund, Other Revenue-Sale of Other Property (Account 50-373159).

This project is anticipated to have a sixth and final Amendment/GMP that will include the remaining bid packages plus construction contingency that are estimated to total approximately \$1,200,000. Funding for this anticipated future Guaranteed Maximum Price amendment is expected to be generated from proceeds of the potential sale of the 718 North Porter building (which was also acquired by the City as a part of Contract K-2122-82) to Cleveland County, upon approval of the Cleveland County Board of Commissioners and the City Council.

The Parks Department placed the highest cost/risk bid packages in this current amendment (GMP #5) and will add the remainder bid packages after both properties mentioned above close. The total cost of construction for the Senior Wellness Center fully bid is anticipated to be \$12,000,000, with an estimated \$600,000 in “soft costs” related to the project.

Our Consultants from ADG have participated throughout the entire process up to our current point of beginning construction of the project. Further, the amendment documents have been reviewed and approved by the City Attorney's office.

With the proposed appropriations along with current funding, adequate funds will be available for this contract in the Norman Forward Senior Wellness Project; Construction (51793365-46101; project NFP108).

RECOMMENDATION NO.1:

It is recommended that City Council approve Amendment No. Five to CMAA Contract K-2021-115 with Crossland Construction Company, Inc., in the amount of \$423,737 for a revised contract amount of \$11,528,248 for construction manager at risk services for the Senior Wellness Center project for the Parks and Recreation Department.

RECOMMENDATION NO. 2:

It is further recommended that City Council appropriate \$420,634.20 from the Capital Fund, Other Revenue-Sale of Other Property (50-373159) representing the net proceeds of the NRHS Porter Campus sale, to the Senior Wellness Center Project, Construction (Account 51793365-46101; Project NFP108).