

# New Petersburg Medical Center Project

*Project Overview*

*CMGC Delivery Method*

*Contractor RFP Process*

# Progress To Date

<b>November 2015</b>	<b>Existing Facility Code and Condition Survey</b>
<b>January 2020</b>	<b>Master Plan</b>
<b>May 2021</b>	<b>Borough Resolution 2021-04 to donate land for the project</b>
<b>May 2022</b>	<b>North Haugen and Excel sites selected for further study</b>
<b>September 2022</b>	<b>Phase I ESA, survey and preliminary geotechnical investigation</b>
<b>September 2022</b>	<b>Bettisworth North selected as project architect</b>
<b>January 2023</b>	<b>Programming and Concept Design completed</b>
<b>February 2023</b>	<b>PMC Board approves concept design and selection of Dawson for pre-construction services</b>

# Site Plan



# Building Plan

**Acute Care (12 beds)**

**Long Term Care (18 beds)**

**Primary Care Clinic**

**Emergency Room**

**Day Surgery**

**Imaging, Pharmacy, Laboratory**

**Physical Therapy**

**Public Health Nursing, Home Health, Wellness**

**Dietary/Cafeteria**

**Maintenance, Materials Management**

# Current Project Budget

**Approximately \$85M**

- Assumes a 70,000 sf two-story building (\$1,200 per sf)
- Based on 2000 Master Plan preliminary estimate + escalation
- Includes design, medical equipment, inspections, contingency, etc.
- \$62M of direct construction costs – needs contractor validation

# Funding

**Murkowski FY2022 CDS**

**\$ 8M**

**Treasury CCPF**

**\$20M**

**State Capital Budget**

**\$20M**

**Murkowski FY2024 CDS**

**\$15M - \$30M**

**Peltola FY2024 CPF**

**\$15M**

**Denali Commission**

**\$ 1M**

# Next Steps

<b>Borough Initiates Rezone &amp; Replat</b>	<b>April 2023</b>
<b>Geotech, NEPA, 404 Permit</b>	<b>April 2023</b>
<b>Complete Site Design</b>	<b>June 2023</b>
<b>Site Work</b>	<b>Fall 2023</b>
<b>Complete Building Design</b>	<b>January 2024</b>
<b>Start Building Construction</b>	<b>Spring 2024</b>
<b>Off-Site Improvements</b>	<b>Summer 2024</b>
<b>Project Complete</b>	<b>Summer 2026</b>

# Phased Construction

**Phase 1    Site Work**

**Phase 2    Building Shell & Core**

**Phase 3    Interior Fit Out**

- Necessary due to funding per Borough Resolution 2021-04
- Makes project shovel ready per Borough Resolution 2021-04
- Levels resource requirements and impact on community
- Allows for procurement of long lead items



# Project Delivery Method

## Construction Manager General Contractor (CMGC)

*(vs. Low Bid)*

- *Best Value process*
- *Industry standard for complex projects*
- *Used by federal government, the state, local governments, tribes*

# Description

- **A/E selected via competitive RFP**
- **A/E starts design**
- **Contractor selected via competitive RFP**
- **Contractor joins team during design**
- **Contractor provides pre-construction services**
- **During design - owner and contractor negotiate GMP packages**
- **At owner's discretion, contractor given NTP for packages**

# Advantages

**A/E works directly for the owner**

**Contractor adds value to project during design**

- *value engineering*
- *phasing plans and overall schedule*
- *procurement of long lead materials and equipment*
- *constructability*
- *more accurate market estimating*

**Allows for phased funding and construction**

**Lower overall risk for both owner and contractor**

**Savings at end of project revert back to owner**

# Checks and Balances

- **RFP includes price and qualification criteria**
- **Initial contract is only for pre-construction services**
- **Guaranteed Maximum Price (GMP) packages**
- **Negotiations are open book**
- **Owner secures independent estimates prior to negotiations**
- **Can convert the contract to Lump Sum if desired**
- **Termination for Convenience clause**

# Other Considerations

- **Requires good communication between all parties**
- **Requires commitment to cooperation and mutual respect**
- **Both A/E and contractor need experience with this model**
- **Funders may have special requirements**
- **If GMP negotiations fail, contractor is usually prohibited from participating in the readvertisement\***

*\* some view this as a positive*

# Current Medical Projects Using CMGC

**New Mount Edgecumbe Medical Center** (*\$200+ million*)

**Alaska Native Medical Center Expansion** (*\$200+ million*)

**Juneau Vintage Park Medical Office Building** (*\$30 million*)

# Bettisworth North CMGC Projects

*Bethel Hospital – \$220M*

*Fairbanks Memorial Surgery Addition – \$40M*

*Tanana Chiefs Conference Clinic – \$40M*

*Fairbanks Airport – \$75M*

*Nome Public Safety Building – \$8M*

*Morris Thompson Visitors Center – \$12M*

*Valdez Middle School – \$25M*

*Haines School Renovation – \$14M*

*Skagway Public Safety Building – \$14M*

*Ketchikan Pioneer Home Renovation – \$1.5M*

# CMGC Projects - State DOT&PF

***First project was the Anchorage Airport South Terminal Project in 2005***

***Since then the Central Region has completed approximately 20 projects***

***13 Active Projects in all three Regions (Central, Southcoast, Northern)***

***3 projects currently advertising or pending award***



# Selection Process for This Project

**Resolution 2021-04 encouraged PMC to work with potential contractors**

**Competitive RFP consistent with Federal procurement standards**

**Selection criteria included price and qualifications**

**Only received two proposals**

**Five member Selection Committee (PMC + Architect)**

**Two step process**

- *Review of written proposals*
- *Interviews*

# RFP Results

**Dawson received 39% more points**

**Unanimous recommendation to select Dawson**

**PMC Board recommends \$175,000 contract for Pre-construction Services, with option to negotiate GMP packages**

# Other Factors

- **Momentum and opportunity**
- **Dawson willing to wait for completion of the funding stack**
- **Assembly representative on Project Steering Committee**
- **Assembly will approve GMP packages**