

Arena + Canal District Project Update

August 30, 2018



Savannah Arena + Canal District

Project Update

- Consultant Procurement Status
- Community Outreach Status
- Construction Delivery Method Analysis



Consultant Procurement

Program Manager

- JLL under contract

Architect / Design Team

- Perkins + Will Council Award June 21st, contract in negotiation

Construction Manager at Risk

- City received proposals from three qualified firms
- Proposals evaluated by panel of city staff
- Recommendation to Council for award August 30th

Operator

- RFQ released August 21; contract award anticipated in early November



Fee Proposal – J. E. Dunn

Attachment B

FEE PROPOSAL

ALL PROPOSERS MUST BE REGISTERED SUPPLIERS ON THE CITY'S WEBSITE TO BE AWARDED AN EVENT. PLEASE REGISTER AT WWW.SAVANNAHGA.GOV. ELECTRONIC SUBMISSIONS WILL NOT BE ACCEPTED. PROPOSALS MUST BE SUBMITTED ON THIS FORM.

Fee proposals shall be submitted on this form in a separate sealed envelope clearly marked Fee Proposal for Arena Construction Manager at Risk, RFP Event #6096 and include the name of the proposer. Fee proposals will only be opened if after the initial evaluation, proposer is deemed to be qualified. Fee proposals will then be considered in relation to the qualification points awarded to determine the overall best proposal in terms of fees and qualifications.

All addenda must be acknowledged in the cover letter according to the terms set forth in Section VII of this RFP

Pursuant to and in compliance with the RFP, the undersigned, having become thoroughly familiar with the RFP and with the local conditions affecting the performance and costs of the work, and having inspected the site, hereby proposes and agrees to perform the work in accordance with the contract documents, including furnishing any and all labor, supervision, equipment, materials, transportation, and services to perform all operations required to complete the work and submit all reports in accordance with the contract documents.

The total compensation shall apply to all portions of the work, whether initially a part of the contract or added to the contract at the election of the Owner if additional renovation projects are undertaken.

TOTAL PROPOSAL COST (the sum of the values set forth below): **\$ 12,681,512**

1 CONSTRUCTION FEE AND GENERAL CONDITIONS

Construction Manager's Fee (including Overhead and Profit)

**expressed as a percentage of all subcontracted and self-performed costs

3.35%

Construction Manager's General Conditions - Management (Attachment B1)

\$ 4,682,620

Construction Manager's General Conditions - Non-Management (Attachment B2)

\$ 3,460,915

For all Change Orders - Construction Manager's Fee (including Overhead & Profit)

**expressed as a percentage of all subcontracted and self-performed costs

3.93%

For all Change Orders - Construction Manager's General Conditions-Management and Non-Management (fixed rate on all change orders expressed as a percentage of all subcontracted self-performed costs)



Fee Proposal - Turner

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The total compensation shall apply to all portions of the work, whether initially a part of the contract or added to the contract at the election of the Owner if additional renovation projects are undertaken.

TOTAL PROPOSAL COST (the sum of the values set forth below): \$ 13,648,970

1. CONSTRUCTION FEE AND GENERAL CONDITIONS

Construction Manager's Fee (including Overhead and Profit)

**expressed as a percentage of all subcontracted and self-performed costs

2.5 %

Construction Manager's General Conditions – Management (Attachment B1)

\$ 6,752,260

Construction Manager's General Conditions – Non-Management (Attachment B2)

\$ 2,837,658

For all Change Orders - Construction Manager's Fee (including Overhead & Profit)

**expressed as a percentage of all subcontracted and self-performed costs



Fee Proposal – AECOM/Hunt

Attachment B

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TOTAL PROPOSAL COST (the sum of the values set forth below): \$ 7,316,016

1. CONSTRUCTION FEE AND GENERAL CONDITIONS

Construction Manager's Fee (including Overhead and Profit)

**expressed as a percentage of all subcontracted and self-performed costs

2.25 % plus 0.5% in performance incentives

Construction Manager's General Conditions – Management (Attachment B1)

\$ 5,251,356

Construction Manager's General Conditions – Non-Management (Attachment B2)

\$ 2,064,660



Community Outreach

DBE Fair

- All three CM finalists in attendance
- Two potential Operators in attendance
- PM team (JLL, Polote, Greenline) in attendance
- Design team (Perkins + Will) in attendance

Community Outreach

- Survey on arena facilities released August 23rd
- 1st Arena Community Workshop: September 12
- 2nd Arena Community Workshop: October



Delivery Method Summary

1. Design-Bid-Build

Characteristics

- Contract award generally to low bidder – no consideration for DBE, SBE, or Local
- Client usually chooses this when focused on lower initial cost

Pros

- 100% of design and coordination of documents completed prior to bidding
- Maximizes completion and delivers lowest initial cost opportunity

Cons

- Cost certainty for Client not achieved until bid day
- Greater potential for change orders and litigation



Delivery Method Summary

2. Design-Build

Characteristics

- Client contracts with single entity to design and build
- Client usually chooses this because they have a relatively simple project

Pros

- Allows Client input regarding subcontractor selection

Cons

- Builder entity typically dominates design-build team
- Cost and/or schedule issues typically trump design and/or functionality



Delivery Method Summary

3. CM at Risk

Characteristics

- Owner contracts with architect and construction manager independently
- Construction manager selection based on qualifications, fee and general conditions
- Construction manager works alongside architect during design

Pros

- Allows for contractor input early in design (cost verification; minimizes VE process)
- Allows for phased design packages, reducing the overall schedule compared to Design-Bid-Build
- Allows Client input regarding subcontractor selection (best for Workforce Development Program)

Cons

- Does not create a single point of contact offered by Design-Build



CM at Risk - Workforce Development Advantages

Owner has influence on DBE, SBE, and Local participation by:

- Defining participation goals
- Coordinating City workforce development programs with CMAR
- Reviewing CMAR prequalification requirements for subcontractors
- Verifying certifications for DBE, SBE, and Local status of potential subcontractors
- Requiring periodic reporting of achievement of participation goals



CM at Risk - Workforce Development Advantages

CMAR can increase DBE, SBE, and Local participation by:

- Organizing the Scope of Work for individual trade packages by “right-sizing” to encourage participation of smaller entities;
- Involving potential subcontractors earlier in process to prepare for bidding;
- Assisting subcontractors in material purchasing, equipment rentals, etc.
- Basing subcontractor selection on best value rather than solely on lowest price (with increased emphasis on DBE, SBE, Local status).



CM at Risk - Workforce Development Advantages

Local inclusion benefits:

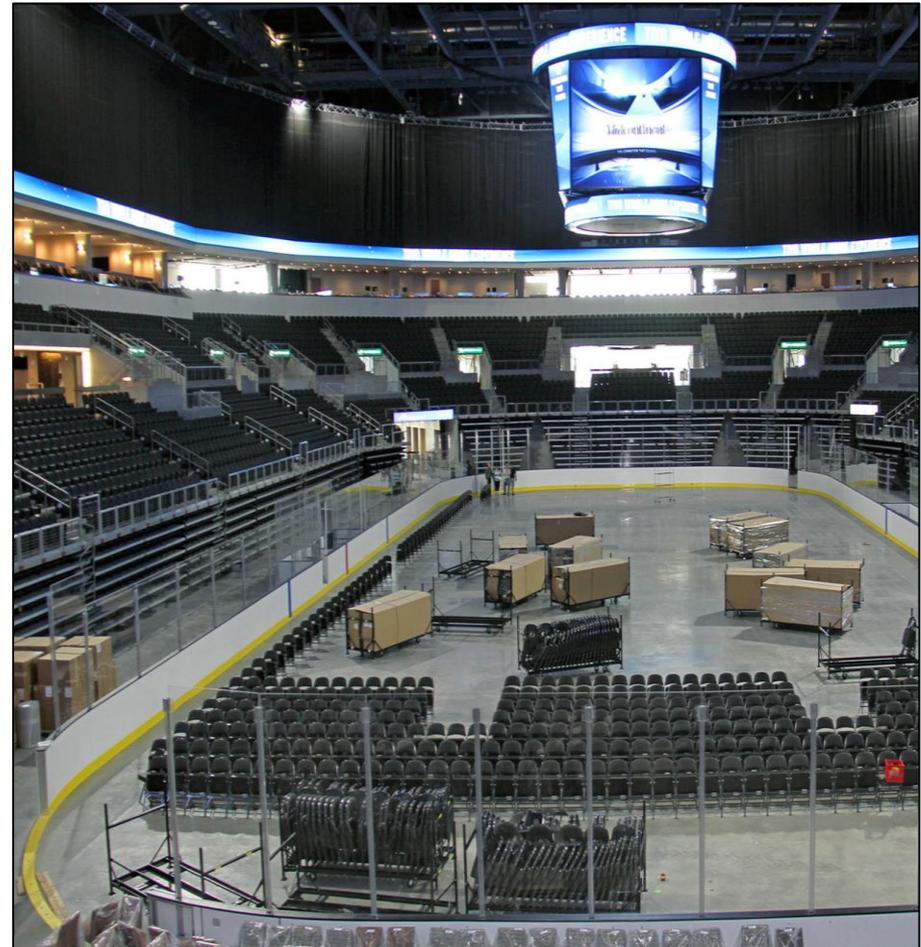
- Keeps local tax dollars in community
- Increases tax revenue to the City
- Local job creation



CM at Risk – Bid Package ‘Right-Sizing’

Building / Arena Packages:

- Metal Railing/Misc. Steel
- Metal framing/sheathing
- Waterproofing
- Electrical
- Plumbing
- Masonry
- Doors (OH, pedestrian, storefront)



CM at Risk – Bid Package ‘Right-Sizing’

Site Packages:

- Demolition
- Landscape
- Grading
- Hardscape
- Paving
- Civil



CM at Risk – Bid Package ‘Right-Sizing’

FF&E Packages:

- Seating
- Kitchen Equipment
- Framing/drywall
- Painting
- Millwork (ex. Lockers)
- Finishes (ex. Ceramic tile)



Savannah CM at Risk Experience

Polote Case Study: Godley K-8 School

Concrete DBE Packages

- Sidewalks
- Flat work
- Footing excavation
- Rock hauling
- Rock placing
- Forming
- Pouring
- Finishing



Savannah CM at Risk Experience

Polote Case Study: Godley K-8 School

Vetted Lead DBE

- Coordination
- Scheduling
- Execution

Lead 5 other small local DBEs

- Right-sized packages
- Package scopes matched DBE's capacities



Resulted in a consortium of 6 DBE firms participating in just the concrete work



Thank You

Questions?

