



# City of Pflugerville

## Legislation Text

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**File #:** RES-0973, **Version:** 1

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Approving a resolution authorizing the Construction Manager-at-Risk (CMAR) project delivery method for the construction of the Secondary Colorado River Raw Water Line Project, and delegating authority to use said method in accordance with the Texas Government Code.

The proposed agenda item is a follow up to the approval of the February 8, 2022 City Council for a Professional Services Agreement contract with Freese and Nichols, which we communicated need to accelerate the project using a different construction delivery method.

City Staff submits the requested resolution to use a different construction delivery method, finding the use of Construction Manager-at-Risk method as authorized by Subchapter F, Chapter 2269 of the Texas Government Code, project delivery method that provides the best value to the City for construction of the proposed Secondary Colorado River Raw Water Line project.

State Statute governs construction procurement for municipalities. The standard method of contracting used for construction services is competitive bidding where the contract is awarded to the lowest responsible bidder. Texas Government Code Chapter 2269 allows for methodologies alternate to low bidding method which may provide the best value to the municipality. These alternate methodologies include: Competitive Sealed proposals, Construction Manager-at-Risk (CMAR), Design-Build, and Job Order Contracting. Texas Local Government Code Section 252.022(d) allows the City to adopt and use an alternative method such as CMAR under Chapter 2269 of the Texas Government Code if such a method provides a better value for the City.

The CMAR method is a project delivery method where the City will contract with an architect/engineer to perform design services and separately contract with a CMAR to perform preconstruction and construction phase services. The role of the CMAR goes beyond performing general contractor services. The CMAR is under contract early in the design process to perform key preconstruction phase services such as collaborating with the City and the design team on scope and constructability and to optimize the design and control costs and budgets, and to provide quality assurance-quality control. After design, and before the CMAR begins construction, the City will negotiate and execute a Guaranteed Maximum Price (GMP) for the remainder of the work, including actual construction.

A CMAR firm will be selected by a City-staffed evaluation panel that will evaluate and score proposals based on published evaluation criteria to determine the highest ranked proposer. As set forth in Government Code 2269, the City of Pflugerville will select a CMAR firm that will provide the "best value" to the City for preconstruction and construction services for the Project.

A delay in authorization of the methodology will result in a delay in the issuance of the solicitation and will affect the ability to perform these improvements prior to December 2022.

This solicitation and evaluation process is approximately six months, with construction commencing

in winter 2023.

An advertisement has already been submitted to the Austin American Statesman, for a Request for Qualifications to be issued on March 9<sup>th</sup> which will describe the project scope, the pre-construction and construction services required for the project, and the proposal submittal requirements.

Background:

Based on population and water demand projections, this project needs to be built and operational by 2025. Based on this aggressive schedule, the City is planning to deliver the project using a Construction Manager-at-Risk (CMAR) method which allows the City to bring the contractor in early during the design process and allows them to provide feedback on constructability, manage material procurement and assist in overseeing the bidding process. The CMAR method will allow the City to build the pipeline on the aggressive schedule. There will be separate contracts for the Engineer and Contractor and a guaranteed maximum price will be set at either 60 or 90% design phase. This is the first time that Pflugerville has used CMAR to procure a project. The City also plans to engage a Owner's Representative to ensure this project stays on track and within budget.

**Prior City Council Action**

City Council approved the selection of Freese and Nichols, Inc. to provide professional engineering services associated with the Secondary River Raw Water Line Project and authorized the City Manager to execute an agreement in the amount of \$7,309,766.00 at the February 8, 2022 meeting.

On March 10, 2020, City Council approved a professional services agreement with Garver in the amount of \$199,820 to provide owner representative services associated with the Surface Water Treatment Plant Expansion Project including an evaluation of water supply alternatives.

On July 28, 2020, City Council received a presentation during the worksession regarding the Water Treatment Plant Expansion Alternatives Analysis including water supply alternatives.

On August 25, 2020, City Council approved a professional services supplemental agreement with Garver in the amount of \$1,220,657.00 to provide owner representative services associated with the Surface Water Treatment Plant Expansion Project which included water rights acquisition support.

On January 26, 2021, City Council approved the engagement of McCarthy & McCarthy LLP as Special Counsel for the City for the purpose of assisting staff with permits, contracts and negotiations related to obtaining additional water rights to support the future growth of Pflugerville.

On April 27, 2021, City Council approved a professional services supplemental agreement with Garver, the City's owner representative associated with the Surface Water Treatment Plant Expansion Project, in the amount of \$311,132 for professional engineering services related to an evaluation of future water supply alternatives.

On May 27, 2021, City Council received a presentation regarding the City of Pflugerville's future water supply options.

On December 14, 2021, City Council received a presentation regarding the Pflugerville Colorado River Water Supply Analysis and future water supply options

On February 8, 2022, City Council approved the selection and agreement with Freese and Nichols, Inc. in the amount of \$7,309,766.00 to provide professional engineering design services associated

with the Secondary River Raw Water Line Project.

**Deadline for City Council Action**

Action is requested on March 8, 2022.

**Funding Expected:** Revenue  Expenditure  N/A

**Budgeted Item:** Yes  No  N/A

**Amount:** N/A

**1295 Form Required?** Yes  No

**Legal Review Required:** N/A  Required  Date Completed: 02/28/2022

**Supporting documents attached:**

Proposed Resolution

Draft Presentation

**Recommended Action**

Approve a resolution authorizing the construction manager-at-risk (CMAR) project delivery method for the construction of the Secondary Colorado River Raw Water Line Project, and delegating authority to use said method in accordance with the Texas Government Code.