



SERVICE CENTER CONSTRUCTION

January 19, 2021
No Action Required

Presented by: Dan Frazier and David Lodge

Why Are We Here?

- Update on site work construction
- Present scope of Guaranteed Maximum Price (GMP) amendment for building construction
- Preview of resolutions to be presented at Feb. 1 meeting



Site Work Construction Update

- Scope of work
 - Clearing, Grading, Underground Utilities
 - Site Electrical
 - Aggregate piers for building foundations

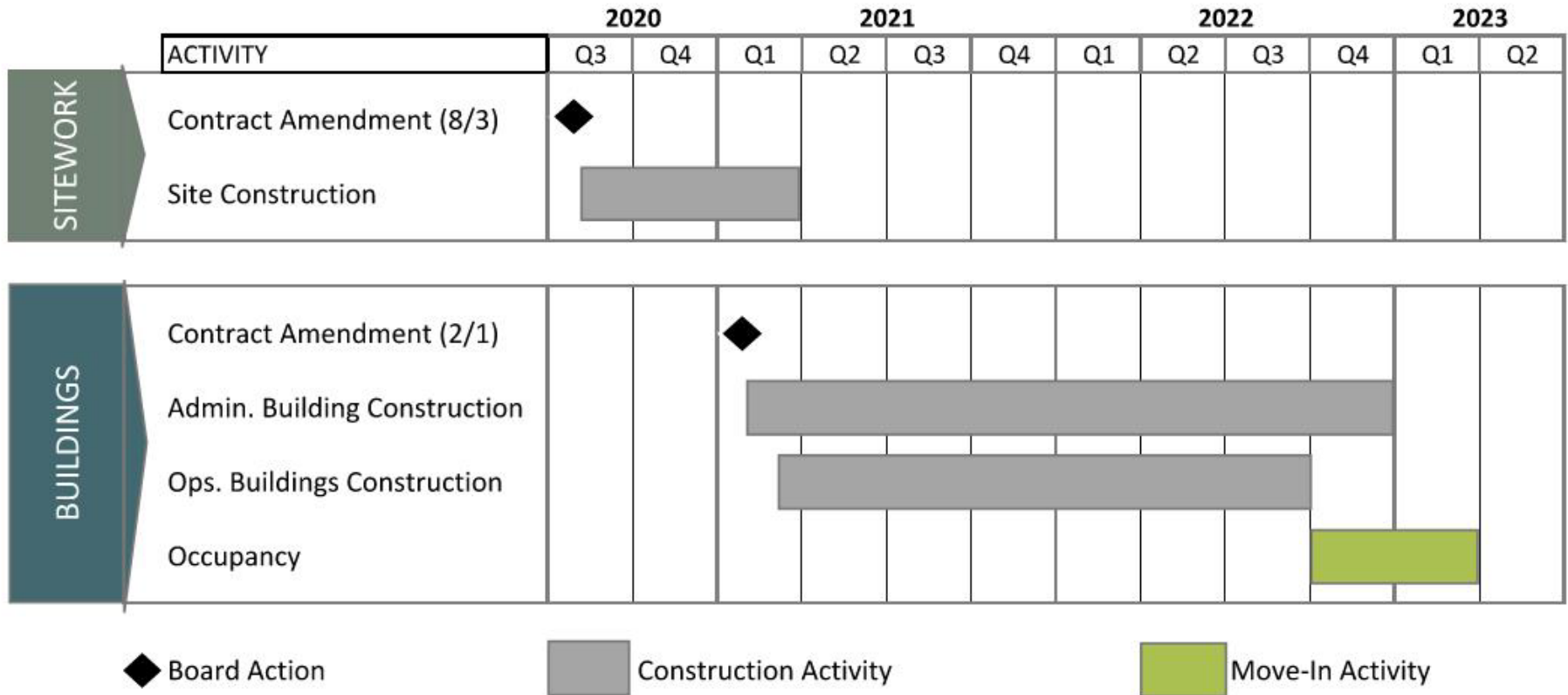


Building Construction Scope

- Scope of work:
 - Operations and administration buildings
 - Cabling for technology systems
 - Integrated operational equipment (ex. bridge cranes)
 - Site paving and landscaping
- Not included in contract:
 - Off-site road improvements
 - Racking, furniture



Schedule



GMP Development

- Maximum Allowable Construction Cost (MACC)
 - 75% subcontractor lump sum bids
 - 10% estimated and remaining to bid
 - 15% negotiated: Electrical Contractor Construction Manager (ECCM) – bid GCs, fee, and subcontractors, cost of work negotiated, reimbursable. Third party audit required.
- Contractor's Risk Contingency – 3% of MACC
- Negotiated Support Services (NSS) – cost of work negotiated, reimbursable
- Specified General Conditions and Contractor Fee – competitive selection from original RFP

Total Contract Estimate

| Description | % | Previous | GMP 2 | Total |
|--|--------|------------------|-------------------|--------------------|
| Maximum Allowable Construction Cost (MACC) | | 7,467,664 | 83,278,541 | 90,746,205 |
| Contractor Contingency | 3% | 224,030 | 2,498,356 | 2,722,386 |
| Specified General Conditions (SGCs) | | 429,253 | 3,590,777 | 4,020,030 |
| Negotiated Support Services (NSS) | | 572,901 | 2,791,432 | 3,364,333 |
| Contractor Fee | 3.571% | 266,670 | 2,973,877 | 3,240,547 |
| Guaranteed Maximum Price (GMP) | | 8,960,518 | 95,132,983 | 104,093,501 |
| Change Orders (to date) | | 206,005 | | 206,005 |
| Precon | | 500,000 | | 500,000 |
| Total Contract Cost (TCC) | | 9,666,523 | | 104,799,506 |

Total Project Cost Estimate

| Description | % | Amount |
|---|------|--------------------|
| Total Contract Cost (TCC) | | 104,799,506 |
| Washington State Sales Tax | 8.5% | 8,907,958 |
| Owner Contingency | 5%* | 4,981,160 |
| Design Services | | 9,764,220 |
| Construction Support Services | | 4,778,647 |
| Permitting and Utility Fees | | 813,659 |
| Off-Site Improvements | | 905,635 |
| Furniture, Fixtures, and Equipment (FF&E) | | 4,235,585 |
| Total Project Cost Estimate | | 139,186,370 |
| Project Budget | | 139,535,846 |

*Contingency calculated as 5% of GMP less change orders to date

Local Economic Impact

| Awarded to Local Contractors & Suppliers | Distribution of Taxes & Fees | |
|--|-------------------------------------|---------|
| Currently \$26.7M* of \$104.8M TCC | State of Washington - Sales Tax | \$6.81M |
| Electrical (Site and Building) | City of Wenatchee - Sales Tax | \$996k |
| Civil (Grading, Underground Utilities) | Link Transit - Sales Tax | \$524k |
| Asphalt Paving | Public Facilities Dist. - Sales Tax | \$314k |
| Landscaping | Chelan County - Sales Tax | \$157k |
| Concrete Supply | RiverCom - Sales Tax | \$105k |
| Survey | City of Wenatchee - Utility Fees | \$112k |
| Temp Fencing | City of Wenatchee - Permit Fees | \$260k |

*Potential to increase as subcontractor and supplier buyout is completed

Project Risks

- Resolved
 - ~~Horan Road vacation~~
 - ~~Shoreline use~~
 - ~~Building code updates~~
- Realized
 - ~~Cultural/Archaeological mitigation~~
 - ~~Environmental mitigation~~
 - ~~Construction cost escalation~~
 - Off-site road improvements – *Design in progress*
 - Coordination with permitting agencies – *Permit review in progress*
- Ongoing
 - Typical construction project risks
 - COVID-19 construction impacts
 - Accuracy/completeness of bid documents
 - Coordination with District technology systems
 - Additional stakeholder requirements

Next Steps

- Feb. 1
 - Resolution to execute Contract Amendment for building construction
 - Resolution to increase Service Agreement for TCF Architecture for construction administration
 - Resolution to increase Service Agreement for Keithly Barber for third party commissioning services
- Periodic updates during construction



Questions

