



PUBLIC FACILITIES AUTHORITY

Rusty Paul, Chairperson

John Paulson
Steve Soteres
Chris Burnett
Jody Reichel
Tibby DeJulio
Andy Bauman

Tuesday, January 16, 2018

Public Facilities Authority

Following Work Session

SPECIAL CALLED MEETING OF THE CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY (THE “AUTHORITY”)

City Council Chambers

1. **PFA18-01 CALL TO ORDER** – Chairperson Rusty Paul
2. **PFA18-02 ROLL CALL** – Secretary Michael Casey
3. **PFA18-03 APPROVAL OF MEETING AGENDA**

NEW BUSINESS

4. **PFA18-04** Approval of the minutes from the December 19, 2017 Public Facilities Authority meeting
5. **PFA18-05** Resolution to Increase the Guaranteed Maximum Price for Construction of the City Springs Project, as Established by Change Order #15 Pursuant to the Provisions of a Certain Contract for Construction Between the City of Sandy Springs, GA and Holder Construction Group, LLC, Dated June 30, 2015, and to Authorize the General Manager to Execute the Change Order (Change Order #15)
(Presented by John McDonough, General Manager)
6. **PFA18-06 ADJOURNMENT**

City Springs Update

January 16, 2018



SANDY SPRINGS
GEORGIA



Budget and Cost

- Approval of Change Order 15
- Review of pending items

Project Revenues

Funding Sources	Total Budget	Funded through 11/30/2017	Balance to Fund
Pay As You Go	\$38,250,000	\$32,500,000	\$5,750,000
Available City Center Funds	\$9,812,000	\$9,812,000	\$0
Land Sale Escrow	\$9,000,000	\$4,475,370	\$4,524,630
Bond Issuance	\$171,400,000	\$171,400,000	\$0
Interest Income	\$750,000	\$704,494	\$45,506
	\$229,212,000	\$218,891,864	\$10,320,136

Project Expenditures

Cost Uses	Total Budget	Funded through 11/30/2017	Balance to Fund
Construction	\$194,269,013	\$143,077,463	\$51,191,550
Consulting	\$17,175,808	\$16,559,595	\$616,213
Special Costs	\$10,945,260	\$9,953,999	\$991,261
Owner Contingency	\$6,821,919	\$0	\$6,821,919
	\$229,212,000	\$169,591,057	\$59,620,943

Change Order 15

- Scope/value additions
 - Final flooring and transitions
 - Lighting controls and clarifications
 - Misc. interior revisions
 - Scupper revisions
 - Media wall infrastructure
- No change to occupancy date
 - 14 calendar day extension for final signage installation
- Transfer of Contingency: \$466,341

Summary

Owner Contingency	\$ 6,824,371
Change Order 15	\$ 466,341
Other Pending Items	<u>\$ 2,554,638</u>
Unencumbered Contingency	\$ 3,803,392

Schedule

ACTIVITY DESCRIPTION	ESTIMATED DATE OF COMPLETION
<i>Performing Arts Center</i>	
Certificate of Occupancy	Summer 2018
<i>Office Building / Studio</i>	
Certificate of Occupancy	Summer 2018
<i>Park</i>	
Civic Roads/Hardscape Complete	Winter 2017
Civic Final Plantings	Spring 2018
<i>Private Development</i>	
Private Development Roads/Hardscape Complete	Q1 2018

* Schedule evaluation is in progress, with projections based on exposures known to date

Amended Project Expenditures

Cost Sources	Total Budget	Amended Budget	Budget Change
Construction	\$194,269,013	\$194,735,354	\$466,341
Consulting	\$17,175,808	\$17,175,808	\$0
Special Costs	\$10,945,260	\$10,945,260	\$0
Owner Contingency	\$6,821,919	\$6,355,578	(\$466,341)
	\$229,212,000	\$229,212,000	\$0

Questions

TO: Members of the City of Sandy Springs Public Facilities Authority (“PFA”)

FROM: John McDonough, General Manager of the PFA, and City Manager of the City of Sandy Springs (“City”)

DATE: January 11, 2018 for Submission on the January 16, 2018 PFA Meeting Agenda

ITEM: RESOLUTION TO INCREASE THE GUARANTEED MAXIMUM PRICE FOR CONSTRUCTION OF THE CITY SPRINGS PROJECT, AS ESTABLISHED BY CHANGE ORDER #15 PURSUANT TO THE PROVISIONS OF A CERTAIN CONTRACT FOR CONSTRUCTION BETWEEN THE CITY OF SANDY SPRINGS, GA AND HOLDER CONSTRUCTION GROUP, LLC, DATED JUNE 30, 2015, AND TO AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE CHANGE ORDER

Background and Discussion:

On June 16, 2015 at regular Council meeting, City Council adopted a resolution approving a certain Contract for Construction (“Contract”) between the City (subsequently assigned to the PFA) and Holder Construction Group, LLC (“Holder”) for constructing the City Springs project (“Project”).

Pursuant to the Contract, Holder agreed that the cost to the City of performing the work under the Contract, including the cost of the work described in the Contract, the general conditions costs, and Holder’s fee, shall not exceed the Guaranteed Maximum Price (“GMP”), as established by change order pursuant to the Contract. The Contract further provides that the establishment of the GMP shall be accomplished by written change order (“GMP Change Order”).

The Contract further provides that an adjustment to the GMP may be made as authorized by written change order. On February 16, 2016, Council approved a GMP value of \$180,057,353.00 for the Project. The GMP value was established by a GMP Change Order dated February 16, 2016, in accordance with Contract provisions.

On August 16, 2016, Council again approved an increase to the GMP by Change Order #5, resulting in a GMP value of \$188,956,290.00 for the Project. The increase was requested due to: transfers from the City held budgets for equipment, design evolution/completion, differing site conditions, and scope changes.

In October of 2016, Change Order #6 was executed by the City. Change Order #6 granted a time extension of forty-two (42) days; however, there was no increase to the GMP value.

The Contract was assigned by the City to the PFA in June of 2016, and on March 21, 2017, the PFA approved the actions taken by the City in Change Orders #5 and #6.

On March 7, 2017, the PFA approved Change Order #7, which increased the GMP value by the amount of \$2,854,088.00, for a new GMP value of \$191,810,378.00, and granted a time extension for fifty-six (56) calendar days. The overall budget for the Project was not increased by Change Order #7.

On May 2, 2017, the PFA approved Change Order #8, which increased the GMP by \$875,315.00, for a new GMP value of \$192,685,693.00.

On June 6, 2017, the PFA approved Change Order #9, which increased the GMP by \$19,921.00, for a new GMP value of \$192,705,614.00.

On July 18, 2017, the PFA approved Change Order #10, which decreased the GMP by \$352,722.00, for a new GMP value of \$192,352,892.00.

On August 15, 2017, the PFA approved Change Order #11, which increased the GMP by \$273,195.00, for a new GMP value of \$192,626,087.00.

On September 19, 2017, the PFA approved Change Order #12, which increased the GMP by \$946,031.00, for a new GMP value of \$193,572,118.00.

On October 17, 2017, the PFA approved Change Order #13 which increased the GMP by \$312,802.00, for a new GMP value of \$193,884,920.00.

On December 19, 2017, the PFA approved Change Order #14 which increased the GMP by \$384,093.00, for a new GMP value of \$194,269,013.00.

Holder has now requested approval of Change Order #15 pursuant to the terms of the Contract, which will increase the GMP by \$466,341.00, for a new GMP value of \$194,735,354.00. Such GMP increase is for scope/value additions including: final flooring and transitions; lighting controls and clarifications, miscellaneous interior revisions; scupper revisions; and media wall infrastructure.

Change Order #15 increases the Contract time by fourteen (14) days for final signage installation; however, there is no change to the occupancy date for the Project.

When Change Order #15 is executed, the increase to the GMP will effectively be added to the Contract. A copy of Change Order #15 is attached to the Resolution.

Recommendation:

Project consultants and the General Manager recommend that the PFA approve an increase to the GMP value of \$466,341.00, for a new GMP value of \$194,735,354.00 and an extension to the Contract time of fourteen (14) days, and further recommend that the PFA authorize the General Manager to execute Change Order #15.

Alternative:

Reject the recommendation and provide further instruction to the General Manager and Project consultants.

Attachments:

Resolution with attached Change Order #15.

**STATE OF GEORGIA
COUNTY OF FULTON**

**RESOLUTION TO INCREASE THE GUARANTEED MAXIMUM PRICE FOR
CONSTRUCTION OF THE CITY SPRINGS PROJECT, AS ESTABLISHED BY CHANGE
ORDER #15 PURSUANT TO THE PROVISIONS OF A CERTAIN CONTRACT FOR
CONSTRUCTION BETWEEN THE CITY OF SANDY SPRINGS, GA AND HOLDER
CONSTRUCTION GROUP, LLC, DATED JUNE 30, 2015, AND TO AUTHORIZE THE
GENERAL MANAGER TO EXECUTE THE CHANGE ORDER**

WHEREAS, on June 16, 2015 at regular Council meeting, City Council adopted a resolution approving a certain Contract for Construction ("Contract") between the City of Sandy Springs, GA ("City") and Holder Construction Group, LLC ("Holder") for constructing the City Springs project ("Project"); and

WHEREAS, pursuant to the Contract, Holder agreed that the cost to the City of performing the work under the Contract, including the cost of the work described therein, the general conditions costs, and Holder's fee, shall not exceed the Guaranteed Maximum Price ("GMP"), as established by change order pursuant to the Contract; and

WHEREAS, on February 16, 2016, City Council approved a GMP of \$180,057,353.00 for the Project by change order, in accordance with Contract provisions; and

WHEREAS, the Contract provides that an adjustment to the GMP may be made as authorized by written change order; and

WHEREAS, on August 16, 2016, Council again approved an increase to the GMP by Change Order #5, resulting in a GMP value of \$188,956,290.00 for the Project for transfers from the City held budgets for equipment, design evolution/completion, differing site conditions, and scope changes; and

WHEREAS, in October of 2016, Change Order #6 was executed by the City, which granted a time extension of forty-two (42) days but did not increase the GMP value; and

WHEREAS, the Contract was assigned by the City to the PFA in June of 2016, and on March 21, 2017, the PFA approved the actions taken by the City in Change Orders #5 and #6; and

WHEREAS, on March 7, 2017, the PFA approved Change Order #7 which increased the GMP value by the amount of \$2,854,088.00, for a new GMP value of \$191,810,378.00, and granted a time extension for fifty-six (56) calendar days; and

WHEREAS, on May 2, 2017, the PFA approved Change Order #8 which increased the GMP by \$875,315.00, for a new GMP value of \$192,685,693.00; and

WHEREAS, on June 6, 2017, the PFA approved Change Order #9 which increased the GMP by \$19,921.00, for a new GMP value of \$192,705,614.00; and

WHEREAS, on July 18, 2017, the PFA approved Change Order #10 which decreased the GMP by \$352,722.00, for a new GMP value of \$192,352,892.00; and

WHEREAS, on August 15, 2017, the PFA approved Change Order #11 which increased the GMP by \$273,195.00, for a new GMP value of \$192,626,087.00; and

WHEREAS, on September 19, 2017, the PFA approved Change Order #12 which increased the GMP by \$946,031.00, for a new GMP value of \$193,572,118.00; and

WHEREAS, on October 17, 2017, the PFA approved Change Order #13 which increased the GMP by \$312,802.00, for a new GMP value of \$193,884,920.00; and

WHEREAS, on December 19, 2017, the PFA approved Change Order #14 which increased the GMP by \$384,093.00, for a new GMP value of \$194,269,013.00; and

WHEREAS, Holder has now requested approval of Change Order #15 pursuant to the terms of the Contract, which will increase the GMP by \$466,341.00, for a new GMP value of \$194,735,354.00; and

WHEREAS, such GMP increase is for scope/value additions to the Project including: final flooring and transitions; lighting controls and clarifications, miscellaneous interior revisions; scupper revisions; and media wall infrastructure; and

WHEREAS, Change Order #15 also increases the Contract time by fourteen (14) days for final signage installation; however, there is no change to the occupancy date for the Project; and

WHEREAS, Change Order #15, when executed, will effectively be added to the Contract; and

WHEREAS, Project consultants and the General Manager recommend that the PFA approve the attached Change Order #15; and

WHEREAS, Project consultants and the General Manager further recommend that the PFA authorize the General Manager to execute the attached Change Order #15; and

WHEREAS, the PFA desires to approve Change Order #15, as recommended, and to authorize the General Manager to execute Change Order #15.

NOW, THEREFORE, BE IT RESOLVED by the City of Sandy Springs Public Facilities Authority, as follows:

1. An increase to the GMP of \$466,341.00, for a new GMP value of \$194,735,354.00, and an extension to the Contract time of fourteen (14) days are hereby approved; and
2. The attached Change Order #15 is hereby approved; and
3. The General Manager of the PFA is hereby authorized to execute the attached Change Order #15; and
4. The General Manager and the attorney for the PFA are hereby authorized to make such minor revisions to Change Order #15 as may be deemed reasonable, necessary, and in the best interest of the PFA prior to execution by the General Manager, and will promptly report any revisions to members of the PFA; and
5. The General Manager and the attorney for the PFA are hereby authorized to take such actions deemed necessary or prudent to effectuate the intent of this resolution.

RESOLVED this the 16th day of January, 2018.

Approved:

Russell K. Paul, Chairman

Attest:

Michael D. Casey, Secretary

(Seal)

ATTACHMENT
CHANGE ORDER #15

CHANGE ORDER

PROJECT NAME: CITY OF SANDY SPRINGS, GA, CITY SPRINGS PROJECT (Formerly referred to as CITY CENTER PROJECT)

OWNER: CITY OF SANDY SPRINGS, GA

CONSTRUCTION MANAGER: HOLDER CONSTRUCTION GROUP, LLC

DATE OF AGREEMENT: JUNE 30, 2015

DATE OF THIS CHANGE ORDER: JANUARY 16, 2018

CHANGE ORDER NUMBER: 15

The Agreement between Owner and Construction Manager (the "Agreement") is changed as follows:

1. Pursuant to Sections 5.3 and 7.2 of the Agreement and Section 11.1.3 of the General Conditions, the Guaranteed Maximum Price and Contract Time are adjusted, as set forth in this Change Order, for the changes in the Work set forth in the following Bulletins and ASIs issued by Rosser International, Inc.:

-) ASI #102 dated 8/9/17
-) ASI #103 dated 8/18/17
-) ASI #113/113.01 dated 10/31/17
-) Bulletin #26 dated 6/2/17
-) Bulletin #35 dated 6/20/17
-) Bulletin #42/42R1 dated 9/12/17

including other miscellaneous changes referenced in the COR's identified below.

The adjustments to the Guaranteed Maximum Price and Contract Time made by this Change Order are based upon the following COR's issued by Construction Manager. The COR's are identified herein for reference and to clarify the bases of the adjustments to the Guaranteed Maximum Price and Contract Time only and are not incorporated into the Contract and are not Contract Documents.

COR's and back-up 213, 280, 295, 349, 350, 359, 381, 383, 403, 404, 408, 420, 434, 445, 454, 474, 478, 480, 488, 489, 500, 503, 504, 525, 576, and 577.

The Owner and Construction Manager expressly acknowledge and agree that the changes in the Work and the adjustments to the Guaranteed Maximum Price made by this Change Order are subject to the clarifications and exclusions identified by the Construction Manager in each of the foregoing COR's.

2. The Owner and Construction Manager acknowledge the Owner's acceptance of the following Contingency Authorizations issued by the Construction Manager: CA-026, CA-032, CA-039, CA-061, and CA-066
3. Revised Substantial Completion Date as described in Exhibit H Section 4, "Parking, Office Building, Performing Arts Center, Restaurant Pad, Hardscape and Landscape" to 4/23/18.
4. Unless otherwise defined herein, all capitalized terms used in this Change Order shall have the meanings ascribed to them in the Agreement. Except as expressly changed herein, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.

The Contract Time is hereby [increased] [decreased] by the following number of calendar days: 14 days

The Construction Manager hereby waives and releases any claim it may have against the Owner for any adjustment in the Contract Time resulting from, or related to, the change reflected in this Change Order, except as agreed to above.

The Contract Sum / GMP is hereby [increased] [decreased] by \$466,341.00

The Construction Manager hereby waives and releases any claim it may have against the Owner for any adjustment in the Contract Sum / GMP arising out of, or related to, the changes reflected in this Change Order, including, but not limited to, any claim for damages due to delay, disruption, hindrance, impact, interference, inefficiencies or extra work arising out of, resulting from, or related to, the change reflected in this Change Order, except as agreed to above.

Original Contract Sum / GMP: \$12,631,702.00

Net Change by Previous Change Orders: \$181,637,311.00

Contract Sum / GMP before this Change Order: \$194,269,013.00

Increase in this Change Order: \$466,341.00

Contract Sum / GMP, as adjusted by this Change Order: \$194,735,354.00

[Increase] [Decrease] in Contract Time: 14 days

Upon execution of this Change Order by Owner and Construction Manager, the above-referenced change shall become a valid and binding part of the original Agreement without exception or qualification, unless noted in this Change Order.

Owner

Construction Manager

By: _____

By: _____

Date: _____

Date: _____