



PUBLIC FACILITIES AUTHORITY

Rusty Paul, Chairperson

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

Tuesday, October 2, 2018

Public Facilities Authority

Following Work Session

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

Studio Theatre

1. **PFA18-75** **CALL TO ORDER** – Chairperson Rusty Paul
2. **PFA18-76** **ROLL CALL** – Secretary Michael Casey
3. **PFA18-77** **APPROVAL OF MEETING AGENDA**
4. **PFA18-78** Approval of the September 4, 2018 Public Facilities Authority Meeting Minutes
5. **PFA18-79** Resolution to Decrease the Guaranteed Maximum Price for Construction of the City Springs Project, as Established by Change Order #22 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 #22)
(Presented by John McDonough, General Manager)
6. **PFA18-80** Resolution to Approve Second Amendment to Master Lease for Retail Space in Government Building at City Springs and to Approve Plans and Specifications as required by Master Declaration
(Presented by John McDonough, General Manager)
7. **PFA18-81** **ADJOURNMENT**

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: October 1, 2018 for Submission on the October 2, 2018 PFA Meeting Agenda

ITEM: RESOLUTION TO DECREASE THE GUARANTEED MAXIMUM PRICE FOR CONSTRUCTION OF THE CITY SPRINGS PROJECT, AS ESTABLISHED BY CHANGE ORDER #22 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.

On January 16, 2018, the PFA approved Change Order #15 which increased the GMP by \$466,341.00, for a new GMP value of \$194,735,354.00.

On February 20, 2018, the PFA approved Change Order #16 which increased the GMP by \$587,136.00, for a new GMP value of \$195,322,490.00.

On March 20, 2018, the PFA approved Change Order #17 which increased the GMP by \$605,305.00, for a new GMP value of \$195,927,795.00.

On April 17, 2018, the PFA approved Change Order #18 which increased the GMP by \$643,967.00, for a new GMP value of \$196,571,762.00.

On May 15, 2018, the PFA approved Change Order #19 which increased the GMP by \$245,293.00, for a new GMP value of \$196,817,055.00.

On June 19, 2018, the PFA approved Change Order #20 which increased the GMP by \$139,900.00, for a new GMP value of \$196,956,955.00.

On July 17, 2018, the PFA approved Change Order #21 which increased the GMP by \$194,851.00, for a new GMP value of \$197,151,806.00.

Holder has now requested approval of Change Order #22 pursuant to the terms of the Contract, which will decrease the GMP by \$269,733.00, for a new GMP value of \$196,882,073.00. Such GMP decrease is for scope/value revisions including (a) the following *additions*: fountain room piping reroute; final coordination for furniture installation; PAC and office building lighting control revisions; door hardware revisions for fire marshal comments; metal trim for glass railings; and minor interior revisions; and (b) the following *credits*: return of unspent construction contingency; reconciled costs of mechanical, electrical and plumbing systems; and low voltage scope changes.

Change Order #22 does not affect the Contract time.

When executed, Change Order #22 will effectively be added to the Contract. A copy of Change Order #22 is attached to the Resolution.

Recommendation:

Project consultants and the General Manager recommend that the PFA approve a decrease to the GMP value of \$269,733.00, for a new GMP value of \$196,882,073.00, and further recommend that the PFA authorize the General Manager to execute Change Order #22.

Alternative:

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

Attachments:

Resolution with attached Change Order #22.

STATE OF GEORGIA
COUNTY OF FULTON

**RESOLUTION TO DECREASE THE GUARANTEED MAXIMUM PRICE FOR
CONSTRUCTION OF THE CITY SPRINGS PROJECT, AS ESTABLISHED BY
CHANGE ORDER #22 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

RESOLUTION NO. 2018-10-132
Public Facilities Authority

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

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WHEREAS, on February 20, 2018, the PFA approved Change Order #16 which increased the GMP by \$587,136.00, for a new GMP value of \$195,322,490.00; and

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WHEREAS, on May 15, 2018, the PFA approved Change Order #19 which increased the GMP by \$245,293.00, for a new GMP value of \$196,817,055.00; and

WHEREAS, on June 19, 2018, the PFA approved Change Order #20 which increased the GMP by \$139,900.00, for a new GMP value of \$196,956,955.00; and

WHEREAS, on July 17, 2018, the PFA approved Change Order #21 which increased the GMP by \$194,851.00, for a new GMP value of \$197,151,806.00; and

WHEREAS, Holder has now requested approval of Change Order #22 pursuant to the terms of the Contract, which will decrease the GMP by \$269,733.00, for a new GMP value of \$196,882,073.00; and

WHEREAS, such GMP decrease is for scope/value revisions including (a) the following *additions*: fountain room piping reroute; final coordination for furniture installation; PAC and office building lighting control revisions; door hardware revisions for fire marshal comments; metal trim for glass railings; and minor interior revisions; and (b) the following *credits*: return of unspent construction contingency; reconciled costs of mechanical, electrical and plumbing systems; and low voltage scope changes; and

WHEREAS, Change Order #22 does not affect the Contract time; and

WHEREAS, Change Order #22, 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 #22; and

WHEREAS, Project consultants and the General Manager further recommend that the PFA authorize the General Manager to execute the attached Change Order #22; and

RESOLUTION NO. 2018-10-132
Public Facilities Authority

WHEREAS, the PFA desires to approve Change Order #22, as recommended, and to authorize the General Manager to execute Change Order #22.

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

1. A decrease to the GMP of \$269,733.00, for a new GMP value of \$196,882,073.00, is hereby approved; and
2. The attached Change Order #22 is hereby approved; and
3. The General Manager of the PFA is hereby authorized to execute the attached Change Order #22; and
4. The General Manager and the attorney for the PFA are hereby authorized to make such minor revisions to Change Order #22 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 2nd day of October, 2018.

Approved:

Russell K. Paul, Chairman

Attest:

Michael D. Casey, Secretary

(Seal)

ATTACHMENT
CHANGE ORDER #22

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

FROM: John McDonough, General Manager of the PFA

DATE: September 27, 2018 for submission on the October 2, 2018 PFA Meeting Agenda

ITEM: Resolution to Approve Second Amendment to Master Lease for Retail Space in Government Building at City Springs and to Approve Plans and Specifications as required by Master Declaration

Background and Discussion:

1. Master Lease Amendment. On April 19, 2016 at a specially called meeting, the PFA adopted a resolution approving, among other things, the Master Lease Agreement ("Master Lease") by and between the PFA, as lessor, and City Springs Owner, LLC ("Developer"), as lessee. The Master Lease contains certain terms and conditions governing the Developer's buildout and lease of retail space contained within the government building ("Building") at City Springs. On June 19, 2018, the PFA approved a First Amendment to the Master Lease related to the allocation of costs to repair and maintain grease traps serving the Building.

The Developer desires another amendment to the Master Lease ("Second Amendment") for the purpose of allowing an enclosure of a portion of patio space. The Developer has entered into a sublease for a portion of the retail leased space to a restaurant doing business as "The Select." The Select has requested that a portion of the adjacent patio area be fully enclosed for its use pursuant to certain plans and specifications ("Enclosure"). Under the Master Lease, the patio space is not calculated in the amount of leased space for lease payment purposes. The Enclosure will increase the square footage used as leased space, which will increase the amount of lease income based on the method of calculation in the Master Lease. The Developer desires the PFA's approval to move forward with the Enclosure based upon the plans and specifications presented with this agenda item.

The proposed amendment to the Master Lease ("Second Amendment") documents the Enclosure and provides for the additional square footage to be used in lease payment calculations. Additionally, the right to construct and operate within the Enclosure is personal to the Select; therefore, the PFA retains the right to require the Lessee to remove the Enclosure and return the patio area to the condition existing prior to construction of the Enclosure upon termination of the sublease with The Select. If the PFA requests removal, it will be at the sole expense of the Developer.

When the construction of the enclosure is complete, the Developer will cause a survey to be performed and the Short Form of Lease, which was recorded in Fulton County records related to the leased premises, will be amended and recorded in Fulton County to reflect the enclosure.

2. Approval of Plans and Specifications for Enclosure Required by Master Declaration. On April 19, 2016, the PFA also approved that certain Master Declaration of Covenants, Conditions and Restrictions for City Springs, dated June 15, 2016 ("Master Declaration"). The Master

Declaration sets forth standards in Article 5 including, but not limited to, certain Design Guidelines and requires approval of plans and specifications for improvements. The attached letter from Developer is to obtain the PFA's approval for the plans and specifications to construct the Enclosure, as required by the Master Declaration.

Recommendation:

The General Manager and the PFA's attorney recommend approval of the attached resolution, Second Amendment to the Master Lease and letter approving plans and specifications required by the Master Declaration.

Attachments:

Resolution with attached Second Amendment
Letter Approving Plans and Specifications

**STATE OF GEORGIA
COUNTY OF FULTON**

**RESOLUTION TO APPROVE SECOND AMENDMENT TO MASTER LEASE FOR
RETAIL SPACE IN GOVERNMENT BUILDING AT CITY SPRINGS; TO APPROVE
PLANS AND SPECIFICATIONS PURSUANT TO PROVISIONS OF MASTER
DECLARATION; AND TO AUTHORIZE EXECUTION OF SAME.**

WHEREAS, on April 19, 2016 at a specially called meeting, the City of Sandy Springs Public Facilities Authority ("PFA") adopted a resolution approving, among other things, the Master Lease Agreement ("Master Lease") by and between the PFA, as lessor, and City Springs Owner, LLC ("Developer"), as lessee; and

WHEREAS, the Master Lease contains certain terms and conditions governing the Developer's lease of retail space contained within the government building ("Building") at City Springs; and

WHEREAS, on June 19, 2018, the PFA approved a First Amendment to the Master Lease related to the allocation of costs to repair and maintain grease traps serving the Building; and

WHEREAS, the Developer desires to further amend the Master Lease ("Second Amendment") to revise certain provisions relating to the patio area adjacent to the leased retail space; and

WHEREAS, the Developer has entered into a sublease for a portion of the retail leased space to a restaurant doing business as "The Select"; and

WHEREAS, the Select has requested that a portion of the adjacent patio area be fully enclosed for its use pursuant to certain plans and specifications ("Enclosure"), as described in the attached Second Amendment; and

WHEREAS, on April 19, 2016, the PFA also approved that certain Master Declaration of Covenants, Conditions and Restrictions for City Springs, dated June 15, 2016 ("Master Declaration"); and

WHEREAS, the Master Declaration sets forth standards in Article 5 including, but not limited to, certain Design Guidelines and requires approval of plans and specifications for improvements such as the Enclosure; and

WHEREAS, the members of the PFA desire to amend the Master Lease to allow the Enclosure, as set forth in the Second Amendment attached hereto as Exhibit A; and

WHEREAS, the members of the PFA desire to approve the plans and specifications for the Enclosure required by the Master Declaration, as set forth in the letter attached hereto as Exhibit B;

NOW, THEREFORE, BE IT RESOLVED by the City of Sandy Springs Public Facilities Authority, while in session on October 2, 2018, as follows:

1. The Second Amendment attached hereto as Exhibit A amending the Master Lease to allow the Enclosure is hereby approved; and
2. The letter approving plans and specifications required by the Master Declaration for the Enclosure is hereby approved; and

3. The General Manager of the PFA and PFA's attorney are hereby authorized to take such actions deemed necessary or prudent to effectuate the intent of this resolution.

RESOLVED this the 2nd day of October, 2018.

Approved:

Russell K. Paul, Chairman

Attest:

Michael D. Casey, Secretary

(Seal)

EXHIBIT A

SECOND AMENDMENT TO MASTER LEASE

EXHIBIT B

**LETTER APPROVING PLANS AND SPECIFICATIONS
PURSUANT TO MASTER DECLARATION**

[ON CARTER LETTERHEAD]

October __, 2018

City of Sandy Springs Public Facilities Authority
Sandy Springs, Georgia
Attention: John McDonough, General Manager

Re: Approval of the plans and specifications for Improvements to be made within the City Springs Project, pursuant to the standards set forth in Article 5 of the Master Declaration of Covenants, Conditions and Restrictions for City Springs dated June 15, 2016 and recorded in Deed Book 56269, Page 44 in the records of the Clerk of Superior Court Fulton County, Georgia (as amended, the "Master Declaration"), including, but not limited to the Design Guidelines.

Dear John:

Attached to this letter are the plans and specifications for Improvements to be made within the City Springs Project (the "Plans and Specs"). Please acknowledge approval of the Plans and Specs by the City of Sandy Springs Public Facilities Authority (the "Authority"), pursuant to the standards set forth in Article 5 of the Declaration, including, but not limited to the Design Guidelines, by having this letter signed on behalf of the Authority in the space provided on the following page and returning a copy (including, for the avoidance of doubt, a copy of the approved Plans and Specs) to me at jhagley@carterusa.com. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

Sincerely,

Jerome Hagley

cc: Kathy Williams (via email)
Scott Stringer (via email)
Kenneth J. Clayman (via email)
M. Andrew Kauss (via email)
Elizabeth W. Quinn (via email)

[Acknowledgement of Approval on the Following Page]

City of Sandy Springs Public Facilities Authority
October __, 2018
Page 2

The attached plans and specifications are hereby
approved as of this __ day of October, 2018 by:

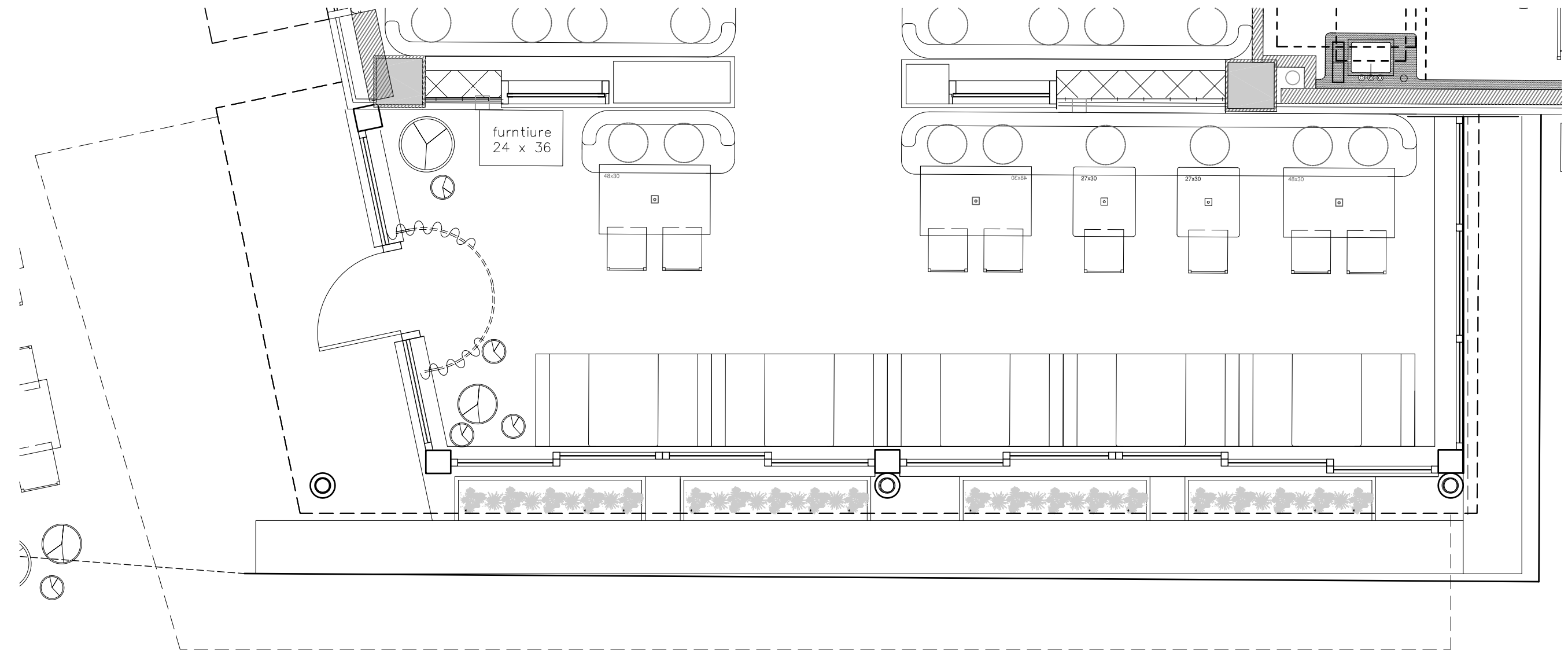
CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY

By: _____
Name: _____
Title: _____

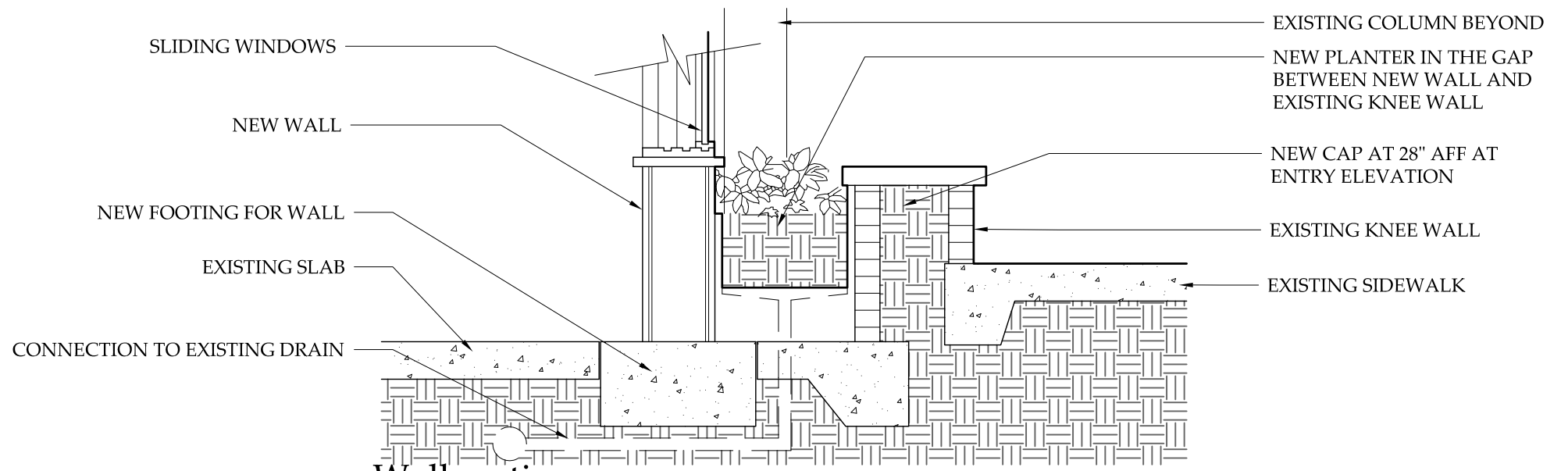
Plans and Specifications

(see attached)

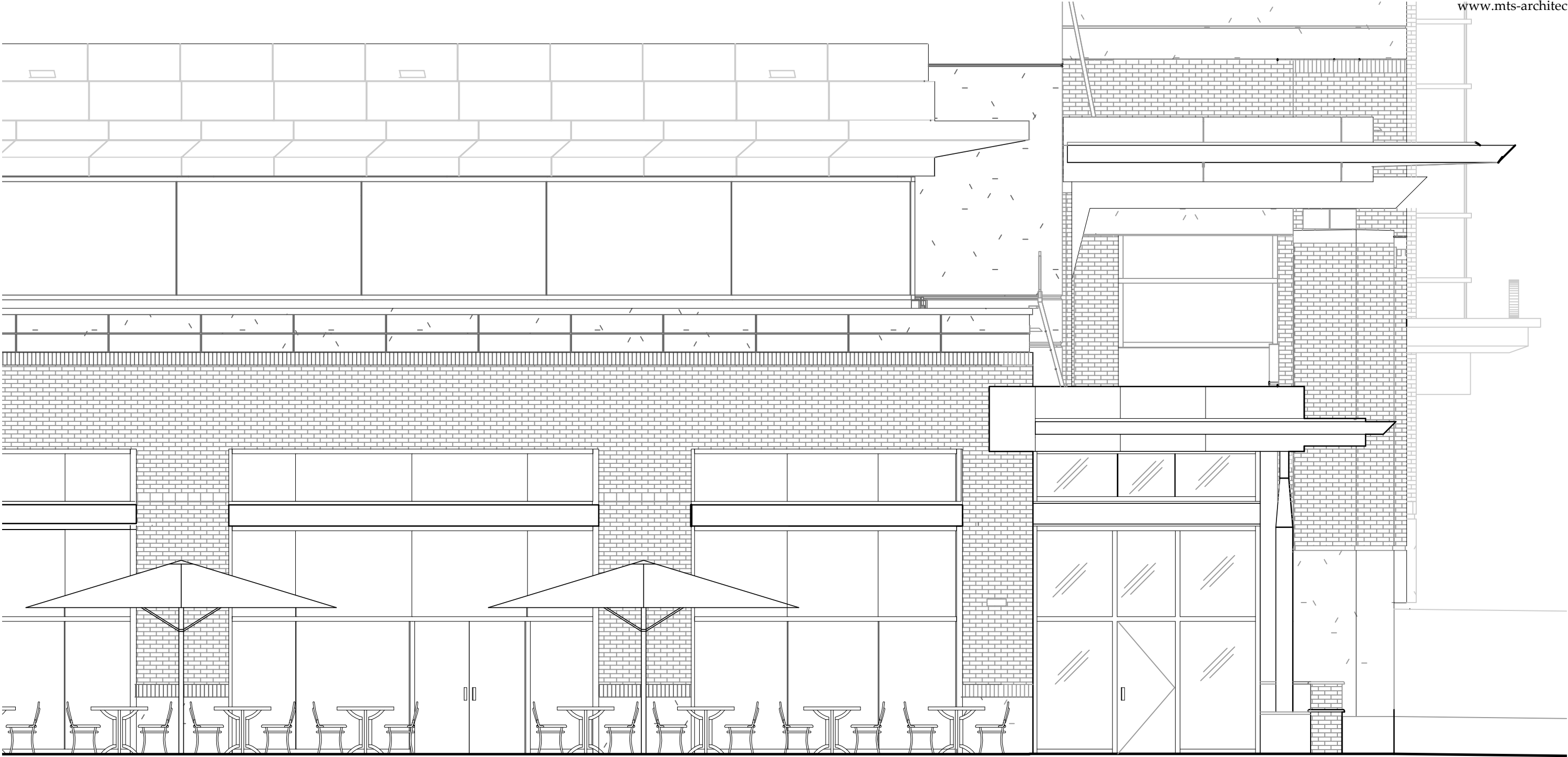




1
A1.3
Patio- Floor Plan
1/4" = 1'-0"



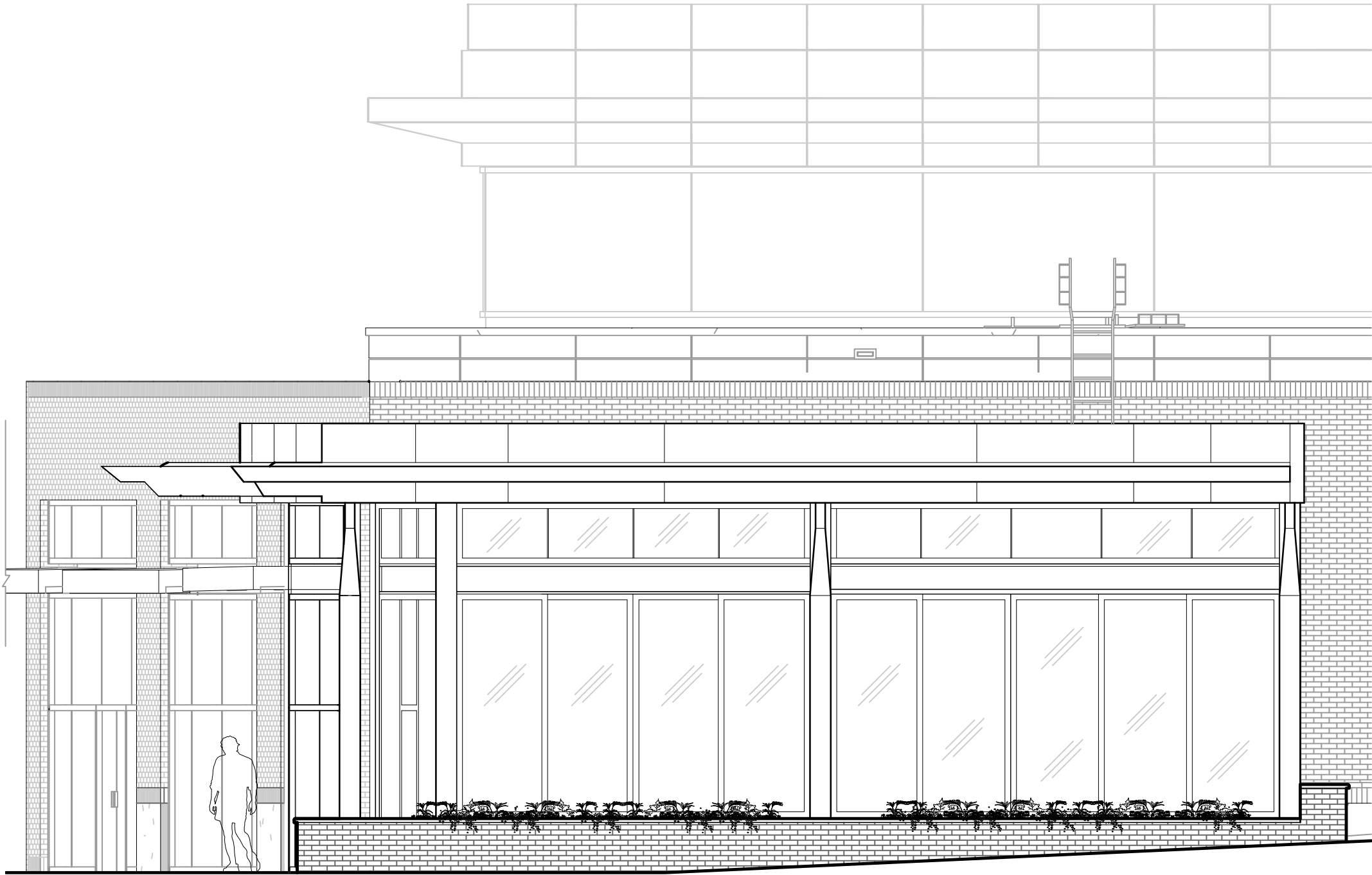
2
A1.3
Wall section
1/2" = 1'-0"



1
A1.2

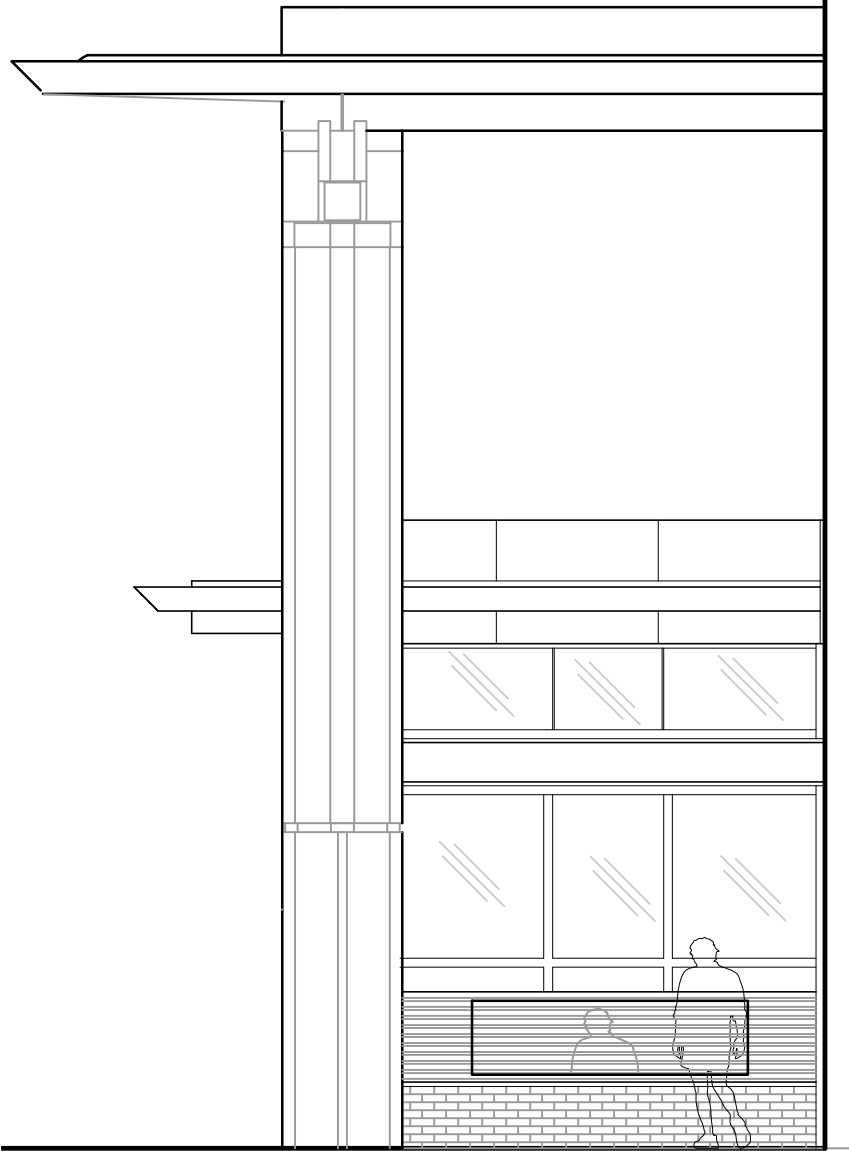
Entry Elevation

3/16"=1'-0"



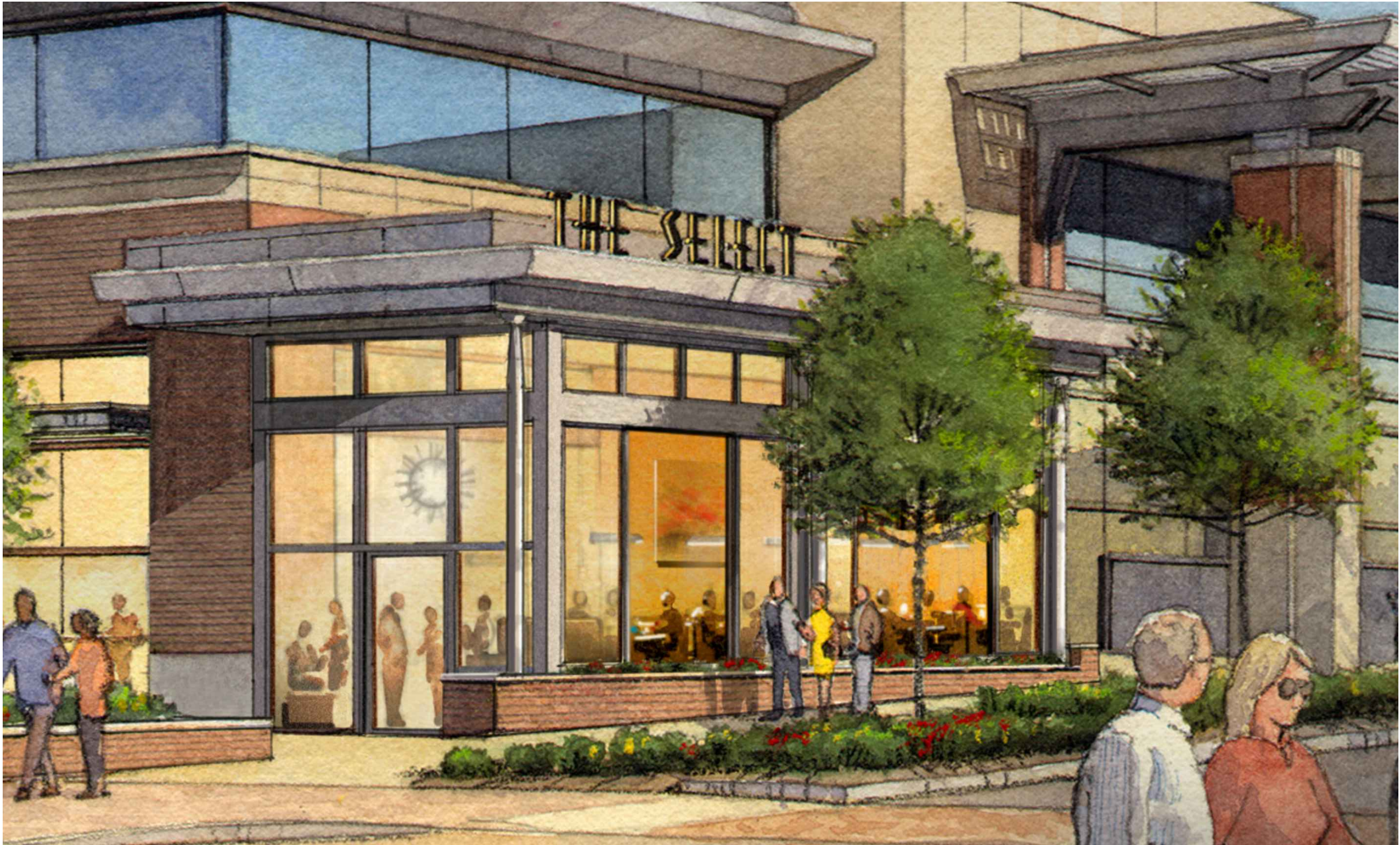
1 Patio Elevation- Facing the Park
A1.1 3/16"=1'-0"

The Select Sandy Springs



2 Loggia Elevation
A1.1 3/16"=1'-0"

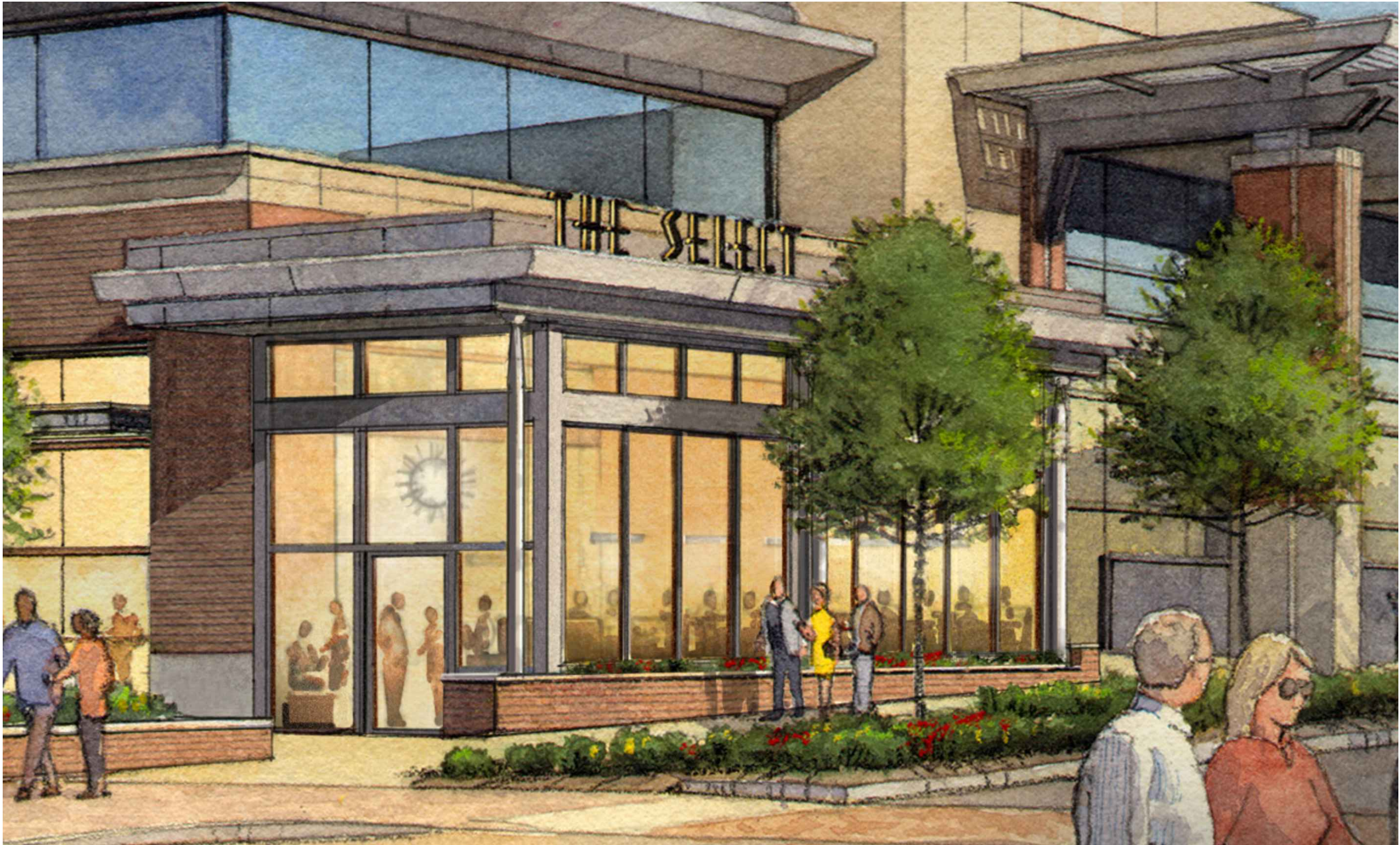
2018_09_04
City Council



1 Patio Rendering- Windows Open
A1.1 NTS

The Select Sandy Springs

2018_09_04
City Council



1 Patio Rendering- Windows Closed
A1.1 NTS

The Select Sandy Springs

