

FORSYTH COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: October 10, 2016

AGENDA ITEM NUMBER: 13

SUBJECT: A. RESOLUTION AUTHORIZING THE COUNTY MANAGER TO ESTABLISH AN OWNER'S CONTINGENCY FUND FOR THE CENTRAL LIBRARY RECONSTRUCTION PROJECT TO ADDRESS COUNTY DIRECTED CHANGE ORDERS UNDER THE CONSTRUCTION MANAGER AT RISK DELIVERY METHOD

B. RESOLUTION AUTHORIZING THE COUNTY MANAGER TO ESTABLISH AN OWNER'S CONTINGENCY FUND FOR THE PUBLIC SAFETY CENTER PROBATION AND PAROLE, EMERGENCY OPERATIONS CENTER, AND 911 CALL CENTER PROJECT TO ADDRESS COUNTY DIRECTED CHANGE ORDERS UNDER THE CONSTRUCTION MANAGER AT RISK DELIVERY METHOD

(GENERAL SERVICES DEPARTMENT)

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

On September 14, 2015, the Forsyth County Board of Commissioners authorized the execution of a contract between Forsyth County and Frank L. Blum Construction Company as Construction Manager at Risk for the Central Library Reconstruction Project.

On July 11, 2016, the Forsyth County Board of Commissioners authorized the execution of a contract between Forsyth County and Landmark Builders of the Triad, Inc. as Construction Manager at Risk for the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project.

Within a Construction Manager at Risk delivery method there are generally two types of contingency funds, contractor managed included in the guaranteed maximum price and owner managed. Owner managed contingency funds are set aside to cover unanticipated owner directed scope changes, errors and omissions, and/or unforeseen code issues after the establishment of the guaranteed maximum price.

Both sets of contingency are managed and only authorized to be spent upon the approval by the County Manager through the recommendation of the Construction Manager.

At the time each of the above referenced contracts were authorized, owner's contingency funds were not established.

For the Central Library Reconstruction Project owner's contingency is recommended to be set at an amount not to exceed \$820,000 or 3.8% of the guaranteed maximum price. For the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project owner's contingency is recommended to be set at an amount not to exceed \$50,000 or 1% of the guaranteed maximum price.

It is recommended by the County Manager and the Forsyth County General Services Director that the County Manager be authorized to sign change orders in an amount not to exceed a total of \$820,000 for the Central Library Reconstruction Project and in an amount not to exceed a total of \$50,000 for the Public Safety Center Probation and Parole Project.

ATTACHMENTS YES NO

SIGNATURE: *J. Audrey Clatto, Jr.* DATE: October 6, 2016
COUNTY MANAGER

**RESOLUTION AUTHORIZING THE COUNTY MANAGER TO ESTABLISH AN
OWNER'S CONTINGENCY FUND FOR THE CENTRAL LIBRARY
RECONSTRUCTION PROJECT TO ADDRESS COUNTY DIRECTED CHANGE
ORDERS UNDER THE CONSTRUCTION MANAGER AT RISK DELIVERY METHOD
(GENERAL SERVICES DEPARTMENT)**

WHEREAS, on September 14, 2015, the Forsyth County Board of Commissioners authorized the execution of a contract between Forsyth County and Frank L. Blum Construction Company as Construction Manager at Risk for the Central Library Reconstruction Project; and

WHEREAS, at the time the Central Library Reconstruction Project was authorized, no owner managed contingency fund was established to cover unanticipated owner directed scope changes, errors and omissions and/or unforeseen code issues; and

WHEREAS, owner managed contingency funds are only authorized to be spent upon the approval by the County Manager through the recommendation of the Construction Manager;

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners hereby authorizes the establishment of an owner managed contingency fund for the Central Library Reconstruction Project in an amount not to exceed \$820,000 or 3.8% of the guaranteed maximum price.

BE IT FURTHER RESOLVED that the County Manager is hereby authorized to sign change orders under the owner's contingency fund in an amount not to exceed a total of \$820,000 for the Central Library Reconstruction Project.

BE IT FURTHER RESOLVED that the County Manager will submit reports to the Forsyth County Board of Commissioners of all change orders under the owner's contingency fund.

Adopted this the 10th day of October 2016.

**RESOLUTION AUTHORIZING THE COUNTY MANAGER TO ESTABLISH AN
OWNER'S CONTINGENCY FUND FOR THE PUBLIC SAFETY CENTER
PROBATION AND PAROLE, EMERGENCY OPERATIONS CENTER, AND 911 CALL
CENTER PROJECT TO ADDRESS COUNTY DIRECTED CHANGE ORDERS UNDER
THE CONSTRUCTION MANAGER AT RISK DELIVERY METHOD
(GENERAL SERVICES DEPARTMENT)**

WHEREAS, on July 11, 2016, the Forsyth County Board of Commissioners authorized the execution of a contract between Forsyth County and Landmark Builders of the Triad, Inc. as Construction Manager at Risk for the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project; and

WHEREAS, at the time the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project was authorized, no owner managed contingency fund was established to cover unanticipated owner directed scope changes, errors and omissions and/or unforeseen code issues; and

WHEREAS, owner managed contingency funds are only authorized to be spent upon the approval by the County Manager through the recommendation of the Construction Manager;

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners hereby authorizes the establishment of an owner managed contingency fund for the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project in an amount not to exceed \$50,000 or 1% of the guaranteed maximum price.

BE IT FURTHER RESOLVED that the County Manager is hereby authorized to sign change orders under the owner's contingency fund in an amount not to exceed a total of \$50,000 for the Public Safety Center Probation and Parole, Emergency Operations Center, and 911 Call Center Project.

BE IT FURTHER RESOLVED that the County Manager will submit reports to the Forsyth County Board of Commissioners of all change orders under the owner's contingency fund.

Adopted this the 10th day of October 2016.