

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: June 14, 2022

Consent

Regular

Workshop

Public Hearing

Department: Facilities Development and Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

A) Budget Transfer in the amount of \$11,301,192 in the Library Expansion Program Fund from Reserves to the Canyon Branch Library project;

B) Budget Transfer in the amount of \$2,968,808 in the Library Impact Fee Fund being transferred from Reserves to the Canyon Branch Library Project;

C) Amendment No. 1 to the construction manager (CM) at risk contract (R2020-0435) with D. Stephenson Construction, Inc. (D. Stephenson) in the amount of \$24,285,338 for the Canyon Branch Library project, located at 8802 Boynton Beach Boulevard, Boynton Beach. Amendment No. 1 establishes a Guaranteed Maximum Price (GMP) for construction management services for a period of 425 days from notice to proceed; and

D) Irrevocable Letter of Direction submitted by D. Stephenson Construction, Inc. dated 5/27/22 and requested by its surety directing the establishment of an escrow account for the project.

Summary: On May 5, 2020, the Board of County Commissioners (Board) approved the contract with D. Stephenson Construction, Inc. (R2020-0435) for construction management services for the Canyon Branch Library project. Amendment No. 1 authorizes construction management services for a new 33,321 square feet, one-story Branch Library and all required site improvements. The project also includes a 24,650 square feet partially covered exterior Plaza with 242 surface parking spaces and a 3,000 square feet community meeting space. The 10-acre civic Library site is located on the south side of Canyon Town Center at the corner of Lyons Road and Boynton Beach Boulevard in Boynton Beach. The new library will help relieve overcrowding at the West Boynton Library Branch, which is landlocked and cannot be expanded. Additionally, the new library will provide ample space for print and media collections, a large multipurpose area that will be used for library events and community meetings, and a variety of seating areas throughout the facility. The CM will have 425 calendar days from notice to proceed to substantially complete the project. Liquidated damages for failure to achieve certification of substantial completion within the contract time or approved time extension thereof are \$550 per day. The surety bonding the project, Atlantic Specialty Insurance Group (a subsidiary of Intact Insurance Group USA, LLC) has requested that D. Stephenson issue an Irrevocable Letter of Direction to the County for the establishment of a project dedicated escrow account. The Irrevocable Letter of Direction is a funds management tool not commonly used by the County in its construction projects. After receiving the Irrevocable Letter of Direction, Staff conducted additional due diligence to fully understand the operational and financial implications of recommending approval; no detrimental impacts were identified. Therefore, Staff is recommending approval of the Irrevocable Letter of Direction. On August 5, 2021, the Goal Setting Committee (GSC) established an Affirmative Procurement Initiative of a minimum mandatory 20% SBE subcontracting goal, of which 8% must be African American and/or Hispanic American. The work was competitively solicited by D. Stephenson. SBE participation for this amendment is 24.37% of which 13.16% is African American. Funding for this contract is from the Library Expansion Program and Library Impact Fees Fund. The budget transfers will increase the total project from \$20,630,000 to \$34,900,000. **(Capital Improvements Division) District 5 (MWJ)**

Background and Justification: Continued on page 3.

Attachments:

- | | |
|----------------------------------|----------------------------------------------------|
| 1. Location Map | 5. Amendment No. 1 |
| 2. Budget Transfer | 6. Irrevocable Letter of Direction |
| 3. Budget Transfer | 7. Construction Manager at Risk - Contract History |
| 4. Budget Availability Statement | |

Recommended by: *[Signature]*
Department Director Date

Approved by: *[Signature]*
County Administrator 6/10/22
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

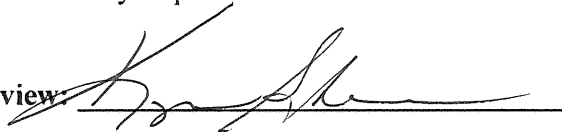
Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	<u>\$24,285,338</u>	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$24,285,338</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____
Is Item Included in Current Budget:	Yes	<u>X</u>	No	_____	_____
Does this item include use of federal funds?	Yes	_____	No	<u>X</u>	_____

Budget Account No: Fund: 3751 Dept.: 321 Unit: L072 Object: 6502 Amount: \$ 20,766,428
 Fund: 3752 Dept.: 321 Unit: L072 Object: 6502 Amount: \$ 3,518,910

B. Recommended Sources of Funds/Summary of Fiscal Impact:

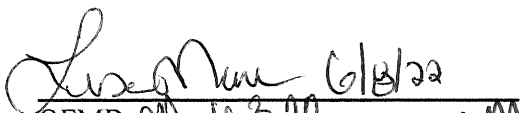
\$11,301,192 and \$2,968,808 are transferred from the Reserves fund to increase the Library Expansion Program fund and Library Impact Fee fund, respectively. Funding for this contract is from the Library Expansion Program and Library Impact Fees Fund.

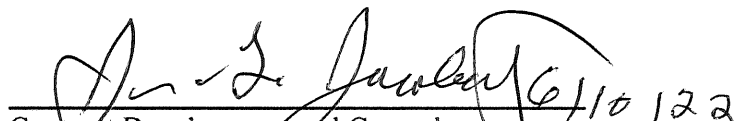
C. Departmental Fiscal Review:



III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:



 OFMB 6/13/22
6-3-22 LM
6/17


 Contract Development and Control
6-10-22 6/10/22

B. Legal Sufficiency:


 For Mr. Jones
 Assistant County Attorney

C. Other Department Review:


 Department Director

This summary is not to be used as a basis for payment.

Background and Justification (Continued from page 1): Construction Manager (CM) at Risk is a project delivery method in which the CM provides design phase assistance, evaluation of cost, schedule and implications of alternate designs, systems and materials, and serves as general contractors bidding the subcontracts for construction. Final selection for construction manager at risk services for the Canyon Branch Library project was completed on January 27, 2020. The project provides for the construction of an approximately 32,000 square feet library, with a community meeting space, surface parking and site improvements. The Canyon Breach Library will serve the Palm Beach County residents in the area encompassing the unincorporated area west of Boynton Beach, surrounding the Canyon Town Center, which includes the areas west of Jog Road, south of Hypoluxo Road, east of State Road 7 and north of Valencia Bay. This community has been identified as an area that will benefit from the new library branch. This new facility will help relieve the overcrowding at the West Boynton Beach Library, which is landlocked and cannot be expanded.