

STAFF REPORT

Date: January 17, 2024

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: **Staff Report (For Possible Action): Resolution authorizing the City Manager or assigned designee as the authorized representative of Council pursuant to Nevada Revised Statute (NRS) 338.1693 to appoint the interview panel and enter into negotiations for pre-construction services for the Construction Manager-At-Risk (CMAR) services for the Reno Fire Department (RFD) Central Station project. [Ward 3]**

From: Justin George, Senior Civil Engineer

Department: Public Works

Summary:

Staff advertised a Request for Proposals (RFP) in the newspaper for contractors to submit proposals to be the Construction Manager-At-Risk (CMAR) for the Reno Fire Department (RFD) Central Station project (Central Station). This Resolution appoints the City Manager or assigned designee as the authorized representative of Council to conduct the required tasks per Nevada Revised Statute (NRS) 338.1693 by establishing a panel of three to seven members to evaluate and rank CMAR proposals and CMAR interviews. The highest-ranking contractor will enter negotiations to provide CMAR pre-construction services for the Central Station project. Staff will return to Council for approval of the selected contractor for CMAR and to award the negotiated Owner-CMAR Pre-Construction Contract. Awarding the Pre-Construction Contract does not guarantee that the contractor will be awarded a construction contract.

Early contractor engagement in the design process is required for the successful completion of a project using the CMAR delivery method. The pre-construction services provided by a CMAR begin after completion of the schematic design phase (30% completion of the project design), continue through the final design, and conclude with the preparation of a Guaranteed Maximum Price (GMP) for construction. The schematic design phase is completed for the Central Station project.

The services provided by the CMAR during pre-construction include but are not limited to, coordination with the Owner, Architect, and Site Civil Engineer; establishing an early project

construction cost estimate; design assistance and constructability review; risk management; scheduling; developing construction systems or methods for cost reduction or value engineering; and continued construction cost estimating through the design development.

The RFD Central Station is planned to be located on city-owned property at 455 East Second Street. The Reno Police Department (RPD) will be vacating this site in the summer of 2024 when they move to the new Public Safety Center (PSC) at 911 Kuenzli Street. This site is the preferred location for the new RFD Central Station based on its centralized location for an area with a very high call volume, RFD's analysis of their operational needs, and site accessibility. This facility will replace Fire Station #1, located at 495 East Fourth Street, which was built in 2008 as a temporary facility to accommodate the Aces Ballpark Stadium.

The location for RFD Central Station at 455 East Second Street is 2.12 acres, which is large enough to accommodate extremely diverse RFD functions, including firefighter dormitory and fitness accommodations, administration, training, community education, equipment and vehicle storage, equipment and vehicle maintenance, and hazardous materials storage. Since this will be the Central Station, the facility may also need to accommodate the general public for community education or outreach programs. Based on the schematic design, Central Station will be a three-story, 65,000-square-foot facility with seven apparatus bays and approximately 80 parking spaces.

Council approved funding from general obligation bonds to finance preliminary work on Central Station. The preliminary work includes consultant agreements for schematic design and CMAR pre-construction services for Central Station.

Completion of the Central Station project is estimated for 2028.

Staff recommends Council appoint the City Manager or designee to conduct the required tasks.

Alignment with Strategic Plan:

Economic and Community Development

Public Safety

Infrastructure, Climate Change, and Environmental Sustainability

Fiscal Sustainability

Previous Council Action:

October 11, 2023: Council authorized staff to pursue the CMAR project delivery method.

March 8, 2023: Council approved consultant agreements with TSK Architects for architectural schematic design and with DOWL for site civil engineering schematic design and demolition

administration.

March 23, 2022: Council adopted Bond Resolution of Intent and Sale Resolution for tax-exempt general obligations to construct the PSC and Moana Springs Community Aquatics and Fitness Center, and to design the RFD Central Station.

February 23, 2022: Council adopted a Bond Resolution to begin the process of issuing tax-exempt general obligations to construct the PSC and Moana Springs Community Aquatics and Fitness Center, and to design the RFD Central Station.

December 8, 2021: Council adopted a Bond Resolution to begin the process of issuing tax-exempt general obligations to construct the PSC and Moana Springs Community Aquatics and Fitness Center, and to design the RFD Central Station.

Background:

Council authorized staff to pursue the Construction Manager-at-Risk (CMAR) project delivery method for the RFD Central Station project during the October 11, 2023, Council meeting.

Discussion:

The original RFD Station #1 was built in 1975 at 200 Evans Avenue. This location was demolished in 2008 to accommodate the Aces Ballpark Stadium. RFD Station #1 was split and relocated to temporary modular buildings at 495 East Fourth Street (Station 1) and 2501 Mill Street (Station 21), and RFD administration services to the fourth floor of City Hall.

In 2021 Station #1 was ranked the fifth busiest station in the United States, responding to over 6,704 calls. In addition, RFD hired an additional 30 full-time staff members. In order to meet the growing demands of the community, a new downtown station and headquarters for RFD is proposed at 455 East Second Street.

The current police station is located at 455 East Second Street. With the completion of the new PSC project in the summer of 2024, the RPD will be relocating from 455 East Second Street to 911 Kuenzli Street. Due to the age and poor condition, a Coldwell Banker Richard Ellis (CBRE) study in 2011 concluded the useful life of the existing building at 455 East Second Street has expired and the building is inefficient to operate.

The proposed new facility at 455 East Second Street will replace the temporary structure at 495 East Fourth Street while providing the additional capacity for expansion needed for the department and relocation of RFD administration services from City Hall's fourth floor back to Central Station. The exhibit below shows the locations of the existing and new RFD facilities described above.



The CMAR project delivery method is recommended to be used to construct the Central Station project. CMAR is a common construction practice that has been used by the City of Reno and other jurisdictions such as Washoe County; Washoe County School District (WCSD); Regional Transportation Commission (RTC); Nevada Department of Transportation (NDOT); University of Nevada, Reno (UNR); and Truckee Meadows Community College (TMCC).

The schematic design phase (30% completion of the project design) of the Central Station project is complete. This is when a CMAR is engaged to participate in the design development and assist the designers in finalizing the project design. This will allow the CMAR to identify construction challenges, budget constraints, material availability issues, scheduling concerns, etc. Since the CMAR is familiar with the project from its conception, many problems can be reduced or eliminated during the project, thus reducing the project's cost.

There will be upfront expenditures associated with the CMAR delivery method during the pre-construction phase, including the costs of the construction manager's pre-construction services, which will be provided after the CMAR is selected. There will also be staff time and resources required to manage the project. The anticipated project schedule is shown below.

RFD Central Station Project Schedule



Staff advertised an RFP in the newspaper on December 19 and 26, and on January 2, for contractors to submit proposals to be the CMAR for the Central Station project.

A panel of at least three and no more than seven individuals is to be selected by the City to evaluate and rank each proposal and is authorized to interview each applicant as outlined in NRS 338.1693. Upon final rankings, the City will negotiate with the qualified applicant to determine fair and reasonable compensation for pre-construction services. Pre-construction services will include:

- Participation in regular design meetings with the Owner, Architect, and Site Civil Engineer to provide input related to constructability, cost, construction methods, and sequences.
- Conduct site investigations.
- Assess impacts related to long lead items or equipment.
- Develop questions, review comments, and provide suggestions and cost estimates at each phase of the design.
- Reconcile cost differences between independent cost estimating and CMAR.
- Develop constructability and value engineering suggestions at each phase of the design.
- Establish advertisements, pre-qualification requirements, and contracts for all subcontractors.
- Develop a potential bidders list for all trades.
- Distribute documents to potential bidders, coordinate bids, and determine the best bids in each category or construction trade.
- Coordinate bid opening with the City and provide all bidding documentation.
- Coordinate questions or input from all subcontractors.
- Review proposals from all bidders, determining completeness. Provide recommendations based on what is deemed to be the best value for the City.
- Develop a GMP for project construction.

Staff will return to Council for approval of the selected contractor for CMAR and to award the negotiated Owner-CMAR Pre-Construction Contract. Awarding the Pre-Construction Contract does not guarantee that the contractor will be awarded a construction contract.

This Resolution will appoint the City Manager or assigned designee as the authorized representative of Council to conduct the required tasks per NRS 338.1693 of establishing a panel to evaluate and rank proposals submitted to the City of Reno for CMAR for the RFD Central Station project. It will also allow the City Manager or assigned designee to enter into negotiations with the most qualified applicant for a contract for pre-construction services.

Financial Implications:

None associated with the adoption of this Resolution.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law. The Resolution is to establish the City Manager or assigned designee as the authorized agent for Council pursuant to NRS 338.1693 in selecting a panel of members to evaluate CMAR Proposals for the RFD Central Station project. It will also allow negotiation with the contractor for a pre-construction services agreement which will be brought back to Council.

Recommendation:

Staff recommends Council adopt the Resolution.

Proposed Motion:

I move to adopt the Resolution.

Attachments:

Resolution
Presentation