

**Item Title:** Approval to Proceed with Construction Management at Risk Delivery Method for the Marbles Kids Museum Expansion Project

**Specific Action Requested:**

**That the Board of Commissioners approves the Construction Manager at Risk delivery method for construction of the Marbles Kids Museum Expansion Project, based on concluding that this delivery method is in the best interest of the project, in accordance with NC General Statutes.**

**Item Summary:**

**Purpose:** State statute requires public bodies to compare advantages and disadvantages and conclude that the construction management at risk delivery method is in the best interest of the project, prior to using this delivery method in lieu of the conventional delivery methods of multi-prime, single prime or dual bidding.

**Background:** Marbles was established in 2007 as a merger between Playspace and the former Explor<sup>is</sup> Museum. Wake County owns the Museum and the IMAX Theater facilities whereas Marbles, a private 501(C)(3) nonprofit operates the complex located at 201 East Hargett Street across from Moore Square in downtown Raleigh, under a long-term lease. The main museum facility was constructed in 1999 and the IMAX Theater was completed in 2001.

In 2017, the County and Marbles completed a Strategic Implementation Plan process to determine the greatest needs for the next 10 years and a plan for implementation. The process centered on identifying facility goals and program needs to be accomplished in the next decade. At a Work Session on October 9, 2017, the Board of Commissioners received a presentation on the conclusions drawn from this planning process and confirmed the County's continuing role as Landlord of this facility, agreed to allow future expansion of the Museum on this property and agreed to use Major Facilities funds to initiate the first phase of design work, based upon the Strategic Implementation Plan.

**Board Goal:** This Board action supports routine County business.

**Fiscal Impact:** Preliminary design and associated preconstruction services provided through this proposed process are funded through the Major Facilities Trust Fund. Future construction funding is yet to be determined. This action will require no additional County CIP funds.

### **Additional Information:**

The first phase of design for the Marbles Museum expansion will conclude this summer with a schematic design plan that will define the proposed expansion and renovation areas, preliminary building system requirements, a phasing and implementation approach and cost estimate. This design effort is currently about 30% complete. Staff and Marbles will update the Board with a design presentation later in the Spring.

This will be a complex expansion and renovation project on a tight urban site with the additional requirement that the Museum must maintain operations while the project is constructed. Due to the complexity of this project and the need to control cost, staff proposes utilizing the Construction Manager at Risk (CMAR) delivery method for this project. This delivery method allows the owner to select a construction management firm that will act as a consultant to the owner during the design and bidding phases (preconstruction), and then act as the general contractor during the construction phase.

Generally speaking, there are numerous advantages to utilizing the CMAR delivery method on this project. CMAR is a collaborative process, which introduces construction expertise into the design project to compliment the design expertise from the design team. The CMAR firm provides constructability advice and cost analysis services during the design phase, preparation and coordination of bid packages, scheduling control, cost control and value management. In addition, the CMAR method provides extensive recruitment and engagement with Minority Business Enterprise firms and the percentage of involvement is often at least twice the County's goal of 10%.

Because funding sources have yet to be identified for construction of this project, it is especially important that constructability guidance and thorough, professional cost assumptions are established. The CMAR is in the best position to provide this information and staff believes using the CMAR delivery method on this project is in the best interest of the county. The CMAR's services will be limited in this initial phase of the project, but very valuable. A report comparing and contrasting this delivery method with conventional hard bid delivery methods is attached to this agenda item.

Staff will complete a process to select a Construction Manager at Risk for this project, which will occur over the next 45 - 60 days. The process for selecting a CMAR must comply with other various NC General Statutes. The Board's long standing "Policy for Selection of Consultants" complies with these requirements and will be followed for this selection process. Consistent with this Policy, a selection committee will be established to solicit and evaluate proposals, interview finalists, rank CMAR firms, and provide the County Manager and Board with a summary of the committee's work. Staff will return in May to present the selected CMAR for approval by the Board.

### **Attachments:**

1. Report on Recommendation for Use of Construction Management at Risk Delivery Method for the Marbles Kids Museum Expansion Project
2. Presentation from Work Session, October 9, 2017