SAN PEDRO CREEK
CULTURE PARK
SUBCOMMITTEE MEETING
DECEMBER 4, 2015
September-November 2015

- Significant re-definition of project scope in Phase 1:
  - Relocation of amphitheater, coordination with Alameda, other stakeholders
  - Property reductions from Travis to Commerce
  - Proposed development of Dollar General property
  - Capture of value engineering in Phase 1

- Value engineering and continued design in Phase 2:
  - Significant re-design between Camp Street and South Alamo Street

- Landscape Architecture collaboration
Design Collaboration

- October 29-30: First design Charrette
  - Focus from Tree of Life to Houston Street, concentrating on the Tree of Life Plaza
- November 19-20: Second design Charrette
  - Focus from Houston Street-Commerce Street (focus on revised amphitheater)
- December 3-4: Meet with key property owners, stakeholders and elected officials; brief the Subcommittee
- December 17-18: Third and final design Charrette
  - Focus on final wrap-up and final programming
Current Status

- Value engineering and reprogramming of Phase 2 well under way
- Significant progress in reprogramming Villa Lagunilla (including Tree of Life Plaza) and Houston to Travis
- Landscape Architecture collaboration largely complete; effect of changes more clearly known
- Positive feedback from key stakeholders about Phase 1
VILLA LAGUNILLA: TREE OF LIFE PLAZA – LONGITUDINAL SECTION 1/3
12.03.15 MUNOZ & CO
VILLA LAGUNILLA: TRAVIS ST – COMMERCE ST

12.03.15 MUNOZ & CO
Impact of Project Changes

- Construction Cost:
  - Preliminary construction cost updates show project cost reduction may achieve desired goal of $97.8 million for Phase 1 and Phase 2, for original footprint of the project.
  - Addition of Dollar General, reprogramming between Houston and Commerce Street, Landscape Architecture betterments will require additional funding; to be determined.
Impact of Project Changes

- Schedule: Estimated 9 month design schedule impact
  - Project scope has significant changes from Tree of Life Plaza to Commerce Street (roughly 60% of Phase 1)
  - Significant changes to 50% of Phase 2 from Value Engineering
- Original schedule: design complete end of February 2016
- Projected schedule: design complete end of November 2016
- Impact to project construction completed by May 5, 2018
  - Likelihood to open through Travis by May 5, 2018, using traditional delivery strategy of design-bid-build
Response to Project Changes

- Shift to Construction Manager at Risk procurement and construction strategy
**Construction Manager at Risk (CMAR):**

- Owner contracts directly with Designer and with Builder (CMAR) based on value with cost considerations
- Owner retains control of design and design team
- Guaranteed maximum pricing phased as design components proceed
- CMAR works with design team through preconstruction services to finish design
CMAR Pros:

- Preconstruction Services
  - Detailed construction schedule by CMAR 9 months ahead of traditional delivery
  - Early cost estimates from the CMAR 6 months ahead of traditional bids
  - Interaction with the final design – Contractor driven value engineering (starting in April 2016)
  - Contractor-driven constructability reviews (starting in April 2016)
  - Early understanding of risks perceived by Contractor
CMAR Pros:

- Construction change flexibility and transfer of risk from owner to CMAR
  - Open book pricing allows cleaner handling of change orders
  - Unspent construction funds returned to Owner
- Guaranteed maximum pricing allows for earlier cost detail and budgeting
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**CMAR Pros:**

- Earlier start to construction with “early out” packages; if federal permitting allows
  - Potential for “turning dirt” 6 months in advance of traditional design-bid-build
  - Bridge construction and utility work proposed to start 6 months early
  - Complete project to Commerce Street by May 5, 2018
Predicted Completion by May 5, 2018

Traditional Design-Bid-Build: To Travis
CMAR: To Commerce Street

Predicted Completion by May 5, 2018
CMAR Cons:

- Some potential reduced competition in selecting the CMAR ahead of an open-bid process
- Preconstruction services from CMAR and design team will be compensated for additional project cost
- Still liability for Owner related to potential disputes between CMAR and design team
**CMAR Cons:**

- Long-lead permitting and utility relocations may still preclude early construction start.
- Final commitment to Guaranteed Maximum Price understood only 6-8 weeks ahead of traditional design-bid-build.
- Multiple contractual relationships.
- Disputes/claims can still delay project completion; less than design-bid-build.
Bottom Line for San Pedro Creek:

- **CMAR delivery strategy preconstruction services will add cost to project budget**
  - These costs potentially offset by Contractor engagement
- **CMAR approach expected to deliver construction faster, earlier, more cleanly and with less risk to the Owner than conventional design-bid-build**
- With schedule a driving factor, CMAR is now considered to be worth the potential for higher cost
Next Steps – Shift to CMAR

- Delivery method selection
  - One phase or two phase selection?
  - Two phase recommended but additional time required
- CMAR procurement by April 2016, and start of full engagement by Contractor
  - RFQ / RFP out to bid by end of January 2016