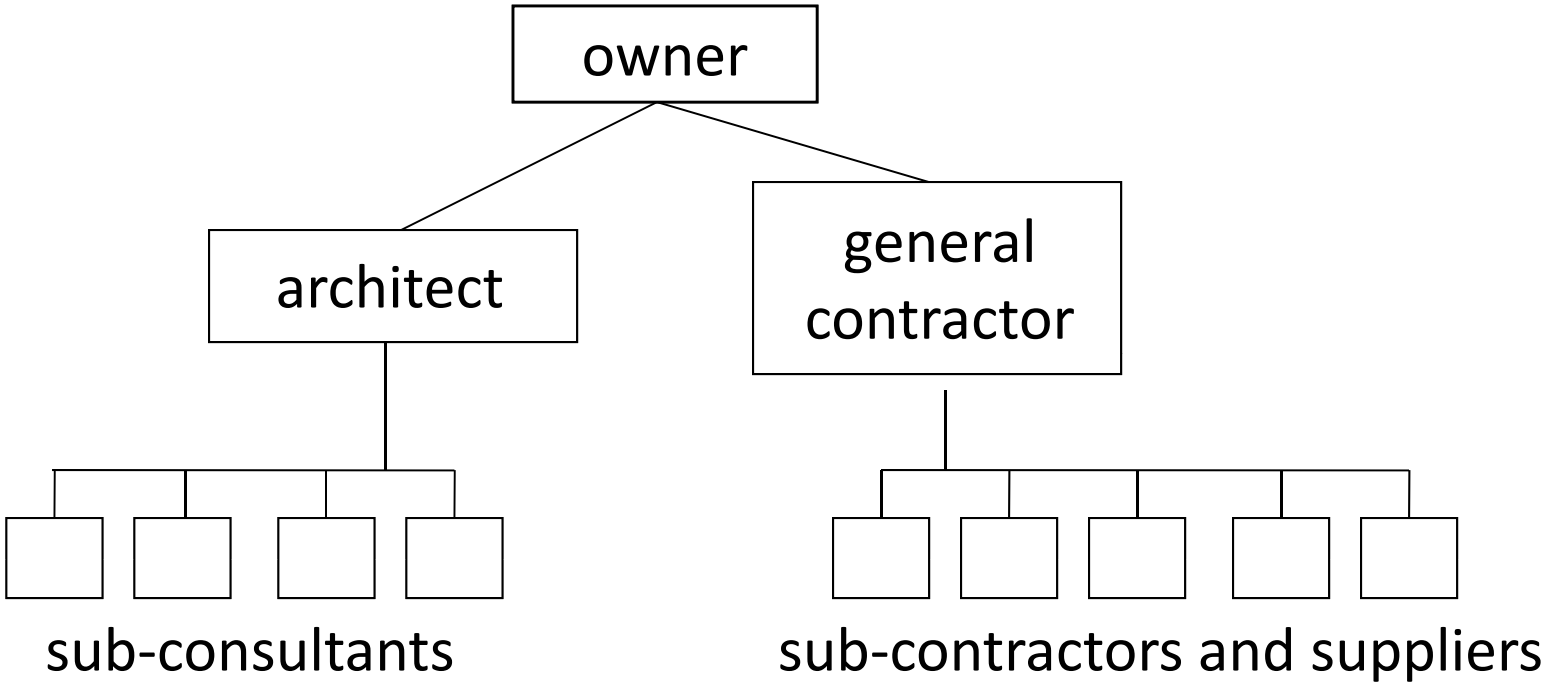
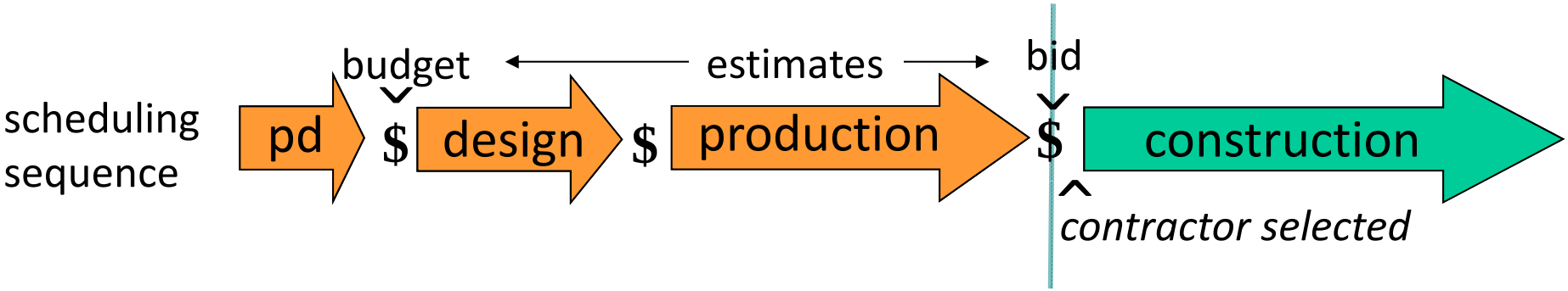
CITY OF COFFEYVILLE
BOARD OF COMMISSIONERS AGENDA ITEM

MEETING DATE	September 24, 2013	
RESOLUTION OR ORDINANCE NUMBER	N/A	
AGENDA TITLE	**BUILDING CONSTRUCTION DELIVERY METHODS**	
REQUESTING DEPARTMENT	Administration	
PRESENTER	Gary Bradley, City Manager	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	[ ] Yes [X] No
PURPOSE	To discuss the advantages and disadvantages of various methods of construction delivery and determine the most appropriate method for the City to apply during the construction of improvements to municipal buildings.	
BACKGROUND	In November 2012, voters approved a ½ cent sales tax to fund improvements to five municipal buildings. The City subsequently retained SFS Architects to design the improvements. When constructing such improvements, there are three approaches that can be used to ensure delivery of finished product. The City must determine which method is the most appropriate in order to move forward.	
SPECIAL NOTES	N/A	

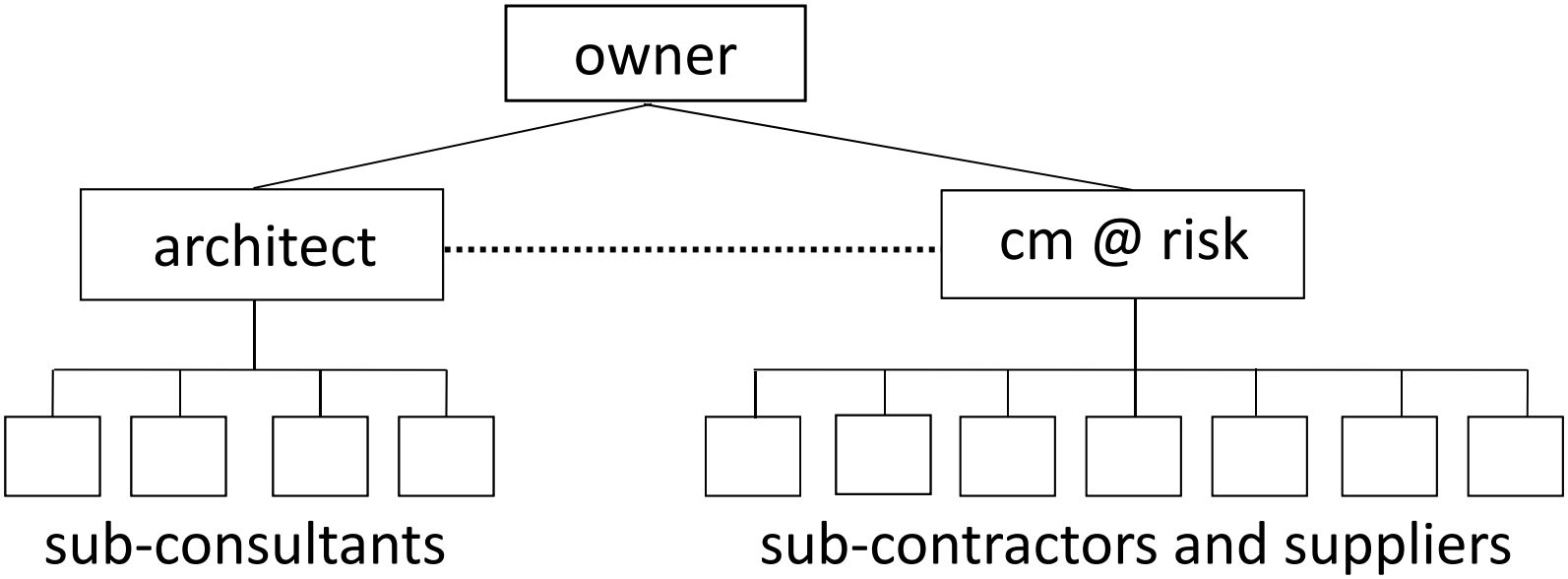
ANALYSIS	SFS has provided a model of each of the three methods. The first method is the more traditional approach, where the City solicits bids and general contractors (GC) then respond with an estimated price based on the bids of their subcontractors. From a project management standpoint, the City works primarily with the GC to contain costs and avoid change orders. In the second approach, a construction management firm would be brought in as part of the project team earlier in the process, and would be responsible for hiring all subcontractors. Because the construction manager guarantees delivery at a specific price, any "savings" would become their profit, and any potential change orders either eat into their profit or become their loss. Because a company that deals with construction on a daily basis has been brought into the mix early, construction estimates tend to be more accurate (as opposed to the first method, where the price bid depends to a great extent on the availability of contractors to work during the proposed schedule and the extent to which the contractors and their subs are in need of work. In the third method, the City would serve as the construction manager, being responsible for individually contracting with each subcontractor and managing the project as a whole.
PUBLIC INFORMATION PROCESS	N/A
BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Staff recommends use of the traditional approach, but is not opposed to the second delivery method. Staff recommends against the 3rd method, particularly with respect to the more complex aspects of the overall project.
REFERENCE DOCUMENTS ATTACHED	Models provided by SFS Architects.

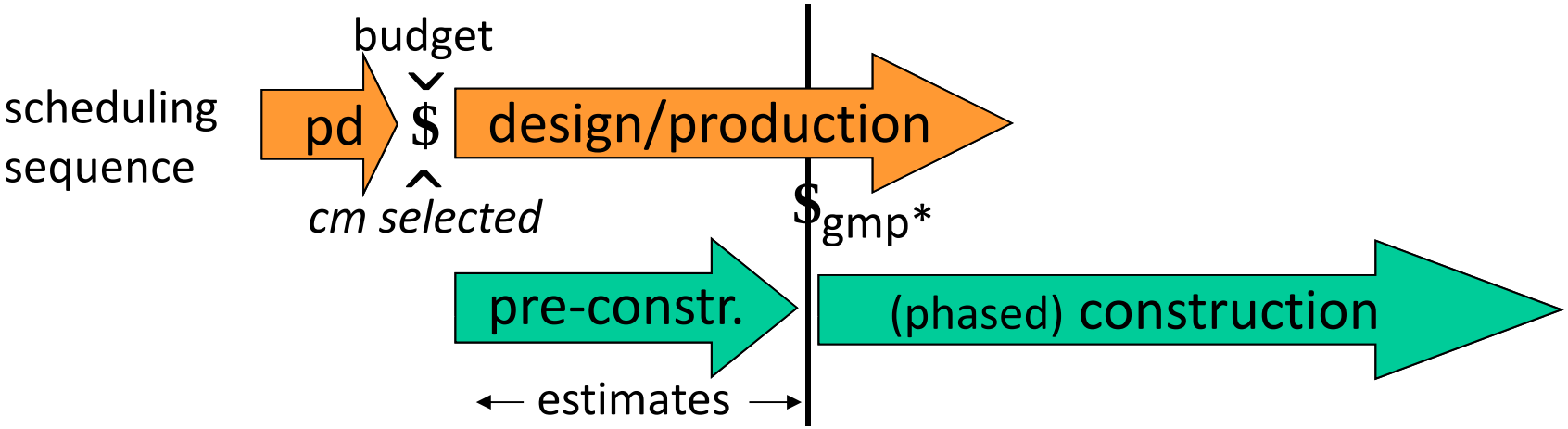
Traditional Design-Bid-Build

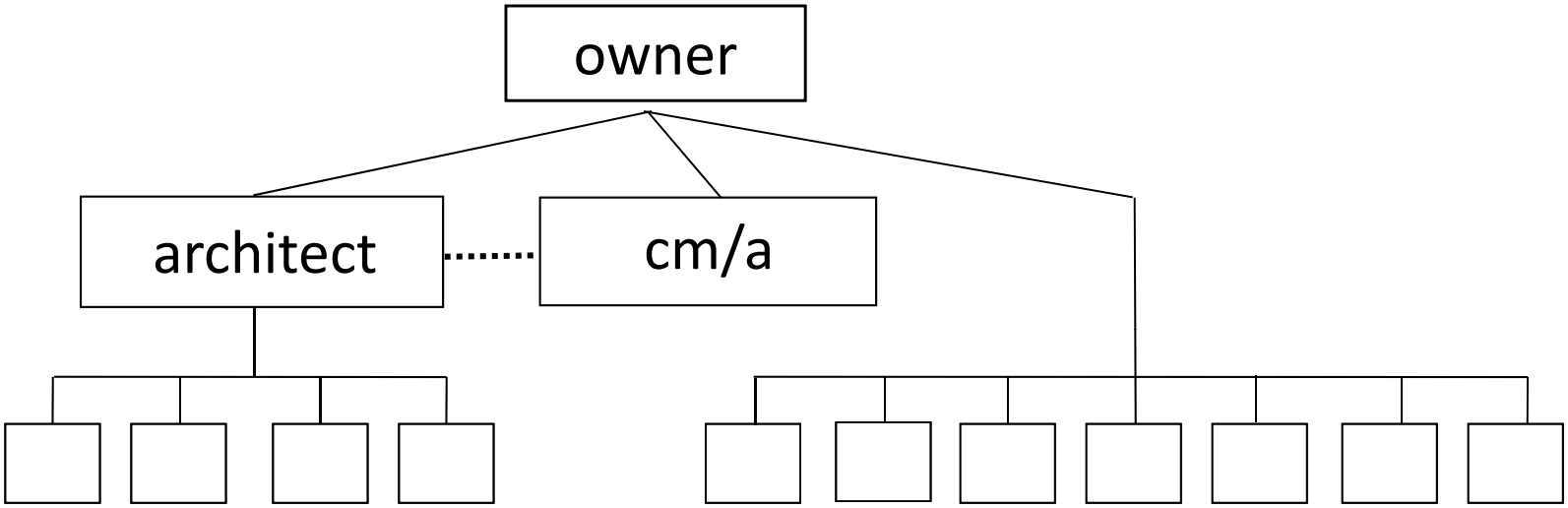
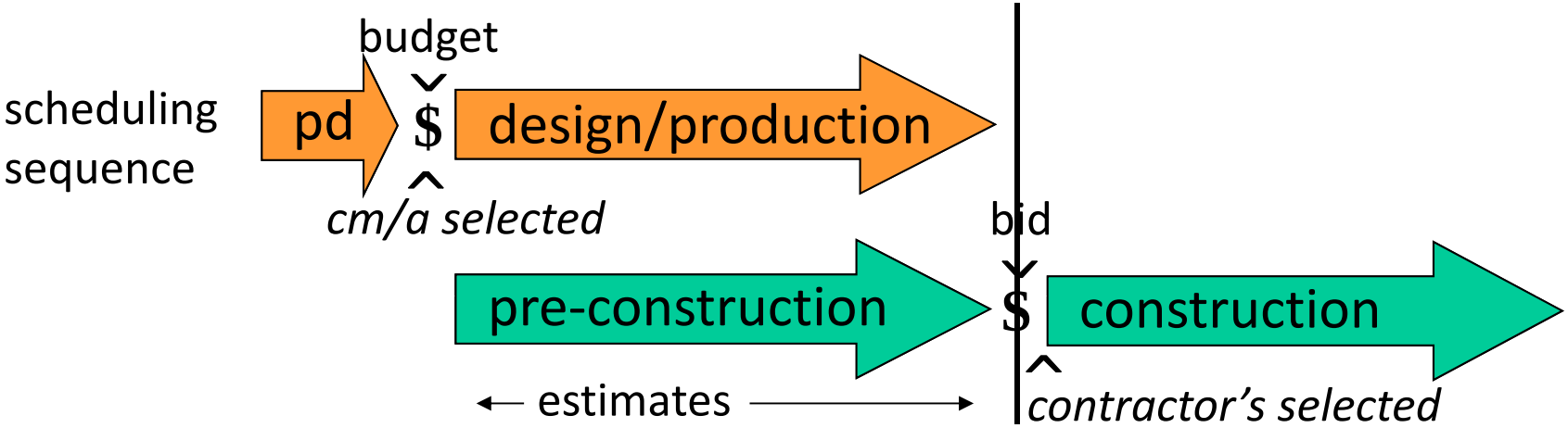




Construction Manager @ Risk





*GMP= guaranteed maximum price

Construction Manager / Advisor