



41 Perimeter Center East, Suite 250
 Dunwoody, Georgia 30346
 P (678) 382-6700 F (678) 382-6701
dunwoodyga.gov

MEMORANDUM

To: Mayor and City Council
From: Brent Walker, Parks and Recreation Manager
Date: August 12, 2013
Subject: **Approval of Contract Amendment for Georgetown Park**

ITEM DESCRIPTION

Although construction remains on schedule, due to some unforeseen construction issues for Georgetown Park, staff recommends a contract amendment with Georgia Development Partners.

BACKGROUND

In March 2012, the City unveiled the Project Renaissance redevelopment initiative. This effort implements the community-developed Georgetown / North Shallowford Master Plan and promotes a catalytic redevelopment opportunity for the Georgetown area. Project Renaissance activates 35 acres off of North Shallowford Road - a 16 acre property purchased in 2011 and a 19 acre property the City is purchasing in a multi-year transaction.

The city entered into a partnership with John Wieland Homes and Neighborhoods for the development of the 16 acre property and the 19 acre property. Beginning with the 16 acre property, the City is building a multi-use trail/linear park across the entire site as well as Georgetown Park, featuring a central square area and a signature playground area.

The park elements and design were finalized through a series of community meetings in late 2012. After preparing construction documents, the City issued an invitation to bid and awarded the construction contract to Georgia Development Partners in March 2013. The contract award amount was \$1,665,559 plus a \$50,000 contingency. A Land Disturbance Permit for park construction was issued the first week in April and a Groundbreaking Ceremony was held on April 17, 2013.

CONSTRUCTION UPDATE

Since groundbreaking in April, Georgia Development Partners (GDP) has worked diligently to keep the construction of Georgetown Park and the multi-use trail on schedule despite unusually high rainfall. The demolition and most of the site grading has been completed. The building foundations and concrete slabs have been constructed and walls are beginning to take shape. The project remains on schedule for completion this fall.

As the construction has progressed, several in-field conditions have resulted in the need for additional services from the Contractor. The estimated cost for these services is \$65,000 in addition to the already approved contingency amount. A significant portion of the unanticipated additional costs (\$42,500) are related to site conditions. Of the site condition issues, \$35,000 is to replace unsuitable soils under foundations and drive areas to ensure the long term integrity of the structures. Although staff reviewed soil borings to assess soil conditions, staff did not catch all the areas that ultimately had unsuitable soil. Field changes make up the remainder of the changes and include items such as the Fountain UV treatment (\$8,500) which is a larger up front cost for long-term cost saving in terms of maintenance



41 Perimeter Center East, Suite 250
 Dunwoody, Georgia 30346
 P (678) 382-6700 F (678) 382-6701
dunwoodyga.gov

and environmental sustainability benefits. A breakdown of the change order costs is attached to this memorandum.

CONTINGENCY DISCUSSION

Following the August Work Session discussion with Council, staff re-evaluated our initial construction budget and reached out to surrounding cities regarding their experience with park construction projects. Although staff will continue to make every effort to budget appropriately and minimize errors on construction plans, based on industry best practices and experiences of surrounding cities, staff should have requested the contingency for the Georgetown Park construction project be set at 10% rather than 2.9% of the construction budget. For comparison, the following table includes the contingency (expressed as a percentage of the construction budget) used by neighboring cities for their park construction projects.

City	Contingency
Alpharetta	5-10%
Decatur	7.5-10%
Marietta	10%
Norcross	10%
Smyrna	7-15%
Suwanee	10-20%

Any construction project, especially those on previously developed land, will have surprises in the field. Given the thousands of details on construction plans, even those developed by professionals and reviewed by qualified staff, will have errors. As our inaugural parks construction project, staff should have better prepared the Council and set expectations for this project with a more appropriate contingency.

FUNDING

Staff recommends resetting the construction contingency to 10% of the project budget or \$170,000 using either prior year accumulated HOST reserves or the contingency fund.

RECOMMENDATION

Staff respectfully requests that Council: (1) amend Contract 13-01 (Project Renaissance Park Construction) with Georgia Development Partners to \$1,835,559 (an increase of \$120,000 to cover both the \$65,000 of construction change orders and reset the overall contingency budget to 10% of the construction budget or \$170,000 total) and (2) authorize the City Manager and Mayor to execute the necessary documents following satisfactory review by legal counsel.

**Estimated Probable Cost of Georgetown Park
Construction Change Orders**

Description	Estimated Cost
Site Conditions	
Unsuitable Soils	\$ 35,000
Additional Demo	\$ 7,500
Field Changes	
Building Changes	\$ 5,500
Stormwater Modifications	\$ 24,500
Add Trail Along Dunwoody Park	\$ 33,500
Fountain UV Treatment	\$ 8,500
Relocate Fire Hydrants	\$ 10,500
Playground VE (Deduct)	\$ (10,000)
Total	\$ 115,000
Approved Contingency	\$ 50,000
Balance	\$ 65,000