



MEMORANDUM

Date: November 14, 2024

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Lesker 
County Administrator

Re: **Additional Information for November 19, 2024, Board of Supervisors Meeting – Agenda Item #21, Contract for the Superior Court – Public Service Center Tenant Improvement Project**

The September 17, 2024, Board of Supervisors Meeting Agenda included consideration of a contract award to Sundt Construction, Inc. for the referenced project. Chair Grijalva asked questions about the reason for the proposed improvements and the project budget. She also inquired about whether the funding allocated to the Public Service Center Project could be used to meet other identified project needs.

There was additional discussion by Board members about the Construction Manager at Risk delivery method and whether the Board was voting for only the pre-construction services portion of the contract or for full construction of the project. The Board removed the item from the agenda and directed staff to schedule it for a future agenda along with the additionally requested information. The contract is scheduled for consideration at the November 19, 2024, Board of Supervisors Meeting.

Background

The Superior Court Building, 110 West Congress Street, was built in 1974, but only the first five floors had the interior construction completed at that time. The 7th floor was completed in 1990 and is one of the oldest interiors after renovations to other floors over the years. Small renovations to the 7th floor including upgrading restrooms, finishes, audio-visual and other technology have occurred, but the size and configuration of the courtrooms has not changed and does not meet the current operational needs of the Superior Court Family Law Division. Additionally, the staff work area layout and circulation, and public access areas are ineffective in meeting the workflow needs of Superior Court operations. Lighting, climate and other life and fire safety controls are also dated and in need of replacement with modern components.

In 2021, the former County Administrator directed the Facilities Management Department to work with Superior Court on a project to address the space and operational needs for the functions on the 7th floor. Initially, the vacant 6th and 7th floors of 240 N. Stone Avenue were identified to provide temporary space for the Superior Court operations while a separate project to renovate the 7th floor of the 110 West Congress was executed. As the project concept progressed, and the project budget was updated, it was determined that there were insufficient

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funds to complete both the build-out of temporary space at 240 N. Stone and the full renovation of the 7th floor of 110 West Congress.

To move the project forward, the project scope was reduced to only include the build-out of the 6th and 7th floors of 240 N. Stone Avenue. This project was included in Pima County's approved Fiscal Year 2023/2024 budget at \$25,980,000. The project scope includes seven court rooms on the 6th floor and nine judges' chambers on the 7th floor at 240 N. Stone Avenue.

Project Status and Procurement of Design Services

A request for qualifications to select the design professional in 2023 resulted in the selection of the DLR Group. This contract was approved by the Board of Supervisors on August 21, 2023, (CT -CPO-24-041) in the amount of \$1,841,856. Design services started immediately after the contract award and included thorough review of the requirements to relocate the Superior Court Family Law Division with the stakeholders including the Court Administrator, Presiding Judge and Clerk of the Court. Flexibility of the court rooms and support spaces was a key part of the discussions to enable current and future court operations.

To date, the DLR Group has completed approximately 60 percent of the design with a final completion date anticipated in late 2024. Expenditures for design services, plus Pima County project management internal labor, totals \$1.2 million to date.

Procurement of CMAR Services

During evaluation of the appropriate construction delivery method, a Construction Manager at Risk (CMAR) delivery was determined as the optimum choice for the Project. The CMAR delivery method hires the contractor on a qualifications-based selection during the design phase of the project to utilize their construction expertise to align the scope of the project with the construction budget. The CMAR delivery method allows the construction scope to be separated into bid packages which allows portions of the work to start or long lead time materials to be ordered while the remainder of the design is completed and bid later.

The CMAR contract for Sundt Construction, Inc. previously submitted to the Board of Supervisors included pre-construction services in the amount of \$266,168 and a request for the Procurement Director to approval subsequent contract modifications in the form of a guaranteed maximum price (GMP) up to a not-to-exceed amount of \$18,000,000, and a contract term of five years, for the entire project. This contract is scheduled for consideration on November 19, 2024, and approval of the contract would allow the contractor to work with Pima County staff and DLR Group to deliver the project in the most cost-effective way.

The CMAR approach has been used effectively on several other CIP projects including the recently completed Office of the Medical Examiner and the Sheriff's Aircraft Hangar, as well as current construction projects for the Northwest Service Center and the San Xavier District Sheriff's substation.

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Identification of Pima County Project Needs

On November 12, 2024, I provided you a [memorandum](#) on Future Capital Needs that outlines various potential maintenance and new construction projects across the range of County departments over both short and long term time frames. This information is intended to inform future discussions on the topic.

Recommendation

Based on the above noted operational and space needs for the Superior Court Family Law Division, along with the project progression and previously expended design funds, I recommend that the CMAR contract with Sundt Construction, Inc. be approved for the entire project including pre-construction services in the amount of \$266,168 and authorization for the Procurement Director to approve subsequent contract modifications in the form of a guaranteed maximum price (GMP) up to a not-to-exceed amount of \$18,000,000, and a contract term of five years.

JKL/anc

c: The Honorable Judge Danelle B. Liwski, Presiding Judge, Superior Court
 Ron Overholt, Court Administrator, Superior Court
 Carmine DeBonis, Jr., Deputy County Administrator
 Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer
 Steve Holmes, Deputy County Administrator
 Rod Lane, Director, Project Design & Construction Department
 Terri Spencer, Director, Procurement Department