

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

In City Council

VOTE

Authorizing the use of a Construction Management At-Risk Firm for the Lowell HCID Parking Garage Project.

-----

The City of Lowell, acting through its City Council, desires to utilize a construction management at-risk firm for the Lowell HCID Parking Garage Project

BE IT VOTED BY THE CITY COUNCIL OF THE CITY OF LOWELL, as follows:

The City of Lowell, as a duly organized political subdivision of the Commonwealth of Massachusetts, authorizes its City Manager to enter into a contract with a construction management at-risk firm for the Lowell HCID Parking Garage Project, and to perform all its obligations in connection with the Project.



Eileen M. Donoghue  
City Manager

Kara Keefe Mullin  
Assistant City Manager

February 1, 2019

Mayor William Samaras  
and  
Members of the City Council

REFERENCE: HCID Parking Garage Status

Dear Mayor Samaras and Members of the City Council:

The Department of Planning and Development (DPD), which leads a multi-department working group to construct the Hamilton Canal Innovation District (HCID) parking garage, is pleased to provide an important update to the Council on the garage status. The Council recently reviewed an update on the proposed new procurement process, which is the Construction Manager (CM) At-Risk process. The HCID garage working group now seeks the Council's vote to approve the CM At-Risk process and submit the necessary applications to the state. The state applications begin with a request to the Inspector General's office for permission to use the CM At-Risk process. This request is required by law and is the first major step in the new procurement process. The team expects to submit the application within a few days of this Council vote.

The CM At-Risk process is the City's best opportunity to help solve the concerns about cost and schedule for the garage because of its three main advantages over the traditional Design-Bid-Build process. First, the CM At-Risk process allows the design team, including a new Owner's Project Manager, to negotiate directly with a Construction Manager, which will be a firm that builds the project like a General Contractor. The negotiation allows for creative solutions to questions about how the garage gets built, which is often a discussion of construction means and methods that is not allowed under the traditional bid process. Second, the project can be broken into pieces, as appropriate, so some work can commence while other work is still under negotiation. For example, if the foundation system is agreed upon and complete, then the Construction Manager can begin on the foundation work while other details, such as the finishes in the retail space, are still under discussion. This allows the CM At-Risk process to potentially save significant time over a traditional bid moving forward. Third and finally, there are decreasingly few large construction firms that bid on projects through the traditional bid approach. Many firms that did not previously bid on the HCID parking garage project are reaching out to the City to express interest in the new CM At-Risk procurement process.

DPD and the HCID garage working group look forward to the next steps in the garage construction process and we will provide updates to the Council as milestones are reached and a firm schedule is created.

Sincerely,



Eileen M. Donoghue  
City Manager

EMD/ns  
Attachment

cc: Christine P. O'Connor, City Solicitor  
Diane N. Tradd, Assistant City Manager/DPD Director  
Craig Thomas, Deputy Director  
Joe Giniewicz, Urban Renewal Project Manager