



# Agenda Item Report

**Legislative Board:** City Council  
**Date:** June 16, 2026  
**Contact:** Austin Messerli  
**Agenda Item ID / Number:** 2026-525- / J.6

**ITEM TITLE:** Deliberation and possible action to authorize the City Manager to execute a contract with CORE Construction Services of Texas, LLC (RSQ #25-305) for the Current Public Works & Parks Facility Expansion Project (F01), including \$30,000.00 for Pre-Construction Services and a construction management fee of up to 4.25% (Capital Improvements Program Manager Austin Messerli, P.E.) [PUBLIC TESTIMONY]

## 1. EXECUTIVE SUMMARY

The City solicited a Construction Manager-at-Risk (CMAR) for the FY25-305 Public Works/Parks Facility Expansion Project from September 17, 2025, to October 16, 2025. We received eight (8) submissions on October 16, 2025. The team reviewed the provided submissions and called references of the eight (8) proposers. A four (4) member review committee scored each submission based on the criteria listed in the solicitation.

The committee's scores are attached. To summarize, the submissions are in order from highest to lowest per committee members scoring: CORE Construction, Byrne Construction Services, SpawGlass Contractors, Inc., Muckleroy & Falls, Harrison, Walker & Harper, STR Constructors, LLC, Summit Building and Design, and MDI Inc. General Contractors. Our design team reviewed the submissions to confirm there were no miscalculations and provided a recommendation letter.

## 2. BACKGROUND/HISTORY

The City's Public Works facility has been evaluated for expansion for over 15 years. The expansion was considered during initial project scoring for the eventual 2014 City Bond but did not rank high enough for consideration at that time. The 2021 Bond did not consider any facility needs to be included with that bond package. A facility needs assessment was completed in 2022 outlining future staffing and space needs for both departments. Council authorized the selling of certificate of obligation (CO) bonds in the amount of \$7.25 million for this facility expansion project at their September 3, 2024, meeting. The City has contracted with Parkhill following the May 20, 2025, City Council meeting for design professional services for the future facility.

The 2022 PW/Parks Facility Needs Assessment recommended a phased approach over time to address the needs of both departments. Covered storage is a major component of this work. The assessment concluded that a combined 43,000 square feet of covered storage and office space is needed in order to serve a city population of 20,000 residents. The current facility has 9,900 sq.ft. in combined space. Phase 1 will include an approximate 6,000 sq.ft. addition in office space and 9,000 sq.ft. of covered storage space. This would still leave a shortfall of 18,000 square feet to cover the recommended amount but will greatly improve conditions for staff and equipment storage as it is reaching a critical need. A future Phase 2 would double the expansion in office space and covered storage. Phase 3 in the Assessment would then be to relocate either the Public Works or Parks department to another site. The City is planning to utilize a Construction Manager-at-Risk (CMAR) for the Facility Expansion Project.

The design team and City worked to develop draft schematic design, which is appropriate time to bring our construction teams for construction manager at risk (CMAR).

### **3. ANALYSIS**

The Construction Manager at Risk (CMAR) delivery method is a project procurement approach that allows the City to engage a construction manager during the design phase of a project. Unlike the traditional design-bid-build process, the construction manager provides pre-construction services such as cost estimating, constructability reviews, scheduling, and value engineering while design is still underway. This collaborative approach helps identify potential issues early, improve cost certainty, and align the project scope with available funding.

Once the design reaches an appropriate level of completion, the Construction Manager submits a Guaranteed Maximum Price (GMP) for the project. If accepted by the City, the GMP establishes the maximum cost for construction, with the Construction Manager assuming responsibility for cost overruns beyond the GMP, except for approved changes in scope or other contractual exceptions. The Construction Manager then serves as the general contractor and oversees the construction phase, including the procurement and management of subcontractors.

The CMAR method is commonly used for complex public projects because it promotes collaboration between the owner, architect, and contractor, provides greater budget and schedule control, and allows construction expertise to inform design decisions. The process is authorized under Texas law and requires the Construction Manager to competitively procure subcontractors, helping maintain transparency and competition while providing the benefits of early contractor involvement.

The City received eight (8) submissions ranked in order by the evaluation committee from highest to lowest: CORE Construction, Byrne Construction Services, SpawGlass Contractors, Inc., Muckleroy & Falls, Harrison, Walker & Harper, STR Constructors, LLC, Summit Building and Design, and MDI Inc. General Contractors. The committee's scored are attached.

### **4. FINANCIAL IMPACT**

The recommendation to award CORE Construction to construct the Public Works/Parks Facility Expansion Project (F01) for \$30,000.00 for Pre-Construction Services, which includes \$20,000.00 for Preconstruction Services Fee and \$10,000.00 for site investigation allowances, and a fee of up to 4.25% of the future construction costs.

The current FY26 CIP budget of \$7,278,000.00, only includes \$725,000.00 for Parkhill's design services.

In the future, the City Council will be asked to consider an amendment to the agreement that establishes the Guaranteed Maximum Price (GMP) once the project is fully designed. The GMP is established based on the design and the CMAR publicly bidding out the various components of the project. The CMAR is then paid a flat fee of 4.25% of the GMP.

### **5. STRATEGIC PLAN/GOALS** EXCEPTIONAL CITY SERVICES

## **6. STRATEGIC PLAN OBJECTIVES**

Deliver City services in a cost-effective and efficient manner

## **7. PROS AND CONS**

Pros: Continue to advance and improve our Public Works/Parks Facility Expansion Project (P03) and incorporate CMAR approach to construction procurement

Cons: New construction procurement approach for the City

## **8. ALTERNATIVES**

Continue design and adjust construction method approach. Open up negotiations with the hope the cost is reduced and receive additional bidders.

## **9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION**

Authorize the City Manager to execute an agreement with CORE Construction Services of Texas, LLC (RSQ #25-305) for the Current Public Works & Parks Facility Expansion Project (F01), including \$30,000.00 for Pre-Construction Services, which includes \$20,000.00 for Preconstruction Services Fee and \$10,000.00 for site investigation allowances, and a fee of up to 4.25% of the construction costs

### **Attachments:**

[Presentation - CORE CMAR - Public Works & Parks Facility Expansion 20260616.pdf](#)

[20260616\\_CMAR-PW&PFacility\\_CommitteeScoring.pdf](#)

[Agreement - CORE - CMAR for Public Works & Parks Facility Expansion - 20230616.pdf](#)