



Board Meeting Agenda Abstract

Tuesday, August 18, 2026

Location:

Agenda Item

Public Service Center Phase II - Guaranteed Maximum Price Amendment - \$20,145,809 - Edifice General Contractors - Project Ordinance Amendment POA-27-03 and Budget Amendment BA 27-02 - (Stephenson) - Item 10.A

Item Explanation

The purpose of this agenda item is to consider approval of the Guaranteed Maximum Price (GMP) of \$20,145,809 with Edifice General Contractors, approve Project Ordinance Amendment POA-27-03, Budget Amendment BA-27-02, and authorize the Town Manager to execute GMP documents for the construction of the Public Service Center Phase II project.

Staff Comments

The Public Service Center is a critical operational hub housing Town functions for Public Works, Public Utilities, and Parks and Recreation maintenance. The initial phase of the facility was completed in 2016; however, the original master plan identified a necessary second phase to accommodate growing operational demands as our customer base, street mileage, and infrastructure expand. Currently, the facility lacks the office space, locker rooms, and work bays required to maintain essential service levels. To address these needs, the Town contracted Withers Ravenel/Teeple Architects in 2025 to develop Civil/Architectural Design Documents and subsequently solicited proposals for Construction Manager at Risk (CMAR) services. Edifice General Contractors was selected as the most qualified firm to lead this project.

Edifice conducted two public bid openings on May 5 and May 19, 2026. The resulting Guaranteed Maximum Price (GMP) is \$20,145,809. In addition to the GMP, the Town requires an additional \$1,371,366 for essential upfits, IT requirements, furniture, wetland mitigation fees, and project contingencies.

The total project cost exceeds the original budget due to sustained inflation, tariff and geopolitical volatility, and high levels of commercial construction activity. The project team conducted a thorough analysis of market conditions to determine if a rebid would yield savings; however, current data indicates that any potential savings from a rebid would be offset by further general market escalation. Furthermore, the complexity of maintaining an operational facility during construction creates significant logistical risks. Experts and low-bidder feedback suggest that delaying the project would likely result in higher costs rather than savings.

Town Staff collaborated with Edifice to identify value engineering opportunities, successfully reducing the cost by approximately \$338,000 through bid alternates. Because the facility was designed for maximum utility and operational efficiency, further reductions are not feasible without compromising core functions (such as work bays and locker rooms) or deferring phases to a later date at a significantly higher cost.

The Public Service Center is a critical hub of daily activity, providing core services for residents, businesses, and visitors, including Sanitation, Debris Collection, Street/Sidewalk Maintenance, Parks and Grounds maintenance, and Water/Sewer operations. For this reason, Town Management and staff recommend that the Town Board approve the GMPA for Phase II construction, as well as the associated budget and project ordinance amendments.

Fiscal Note

Yes

The Public Service Center Phase II project has been bid. Additional funding of \$1,645,809 is needed to cover the final construction bid, and \$1,371,366 is needed to upfit the new building. Previous transfers supported pre-construction costs and the FY 2027 Adopted budget identified bond proceeds funding of \$18,500,000 for construction in anticipation of a debt issuance in February 2027. BA 27-02 and POA 27-03 are needed to complete funding for this project. Two-thirds of project costs are allocated to the General Fund, with the Utility Enterprise Fund supporting one-third. This allocation is reflected in the attached total budget amendment of \$3,017,175 (\$2,011,450 General Fund Balance, \$1,005,725 Enterprise Fund Balance). These changes bring the total construction budget to \$21,517,175.

Recommendation

MOTION TO: Approve the Guaranteed Maximum Price Amendment (GMPA) of \$20,145,809 with Edifice General Contractors, approve a Project Ordinance Amendment, Budget Amendment, and authorize the Town Manager to execute GMP documents for the construction of the Public Service Center Phase II project subject to Town Attorney review as to form.

ATTACHMENTS

[BA-27-02 PSC II .docx](#)

[POA-27-03 PSC II Project.docx](#)

[Fuquay Varina Public Services Bid Tab Results 05-19-26.pdf](#)

[Fuquay Varina Public Services Bid Tab Results 05-05-26.pdf](#)

[Overall Site Improvements View.pdf](#)

[FV PSC II GMPA Package 8.1.26 rev 1.pdf](#)