

RESOLUTION NO. 2025-104

A RESOLUTION OF THE CITY COUNCIL OF MARINA APPROVING AN
UPDATED DESIGN FOR THE RECREATION AND AQUATICS CENTER;
APPROVING THE USE OF THE CONSTRUCTION MANAGER-AT-RISK
PUBLIC WORKS PROJECT DELIVERY METHOD FOR SAME; AND
AUTHORIZING THE CITY MANAGER OR DESIGNEE TO ISSUE A
REQUEST FOR PROPOSAL FOR CMR SERVICES

WHEREAS, the Recreation and Aquatics Center has been a priority project for years with the City Council; and

WHEREAS, numerous open houses, community input sessions, surveys, and public hearings have been held that have influenced the project scope and designs to ensure that the design and construction of the facility meets our community needs; and

WHEREAS, the new Recreation and Aquatics Center is designed and programmed to be as inclusive as possible to serve the broadest possible demographic of residents youth, and seniors, and to provide year-round health, fitness, and aquatics programs indoors; the planned facility is approximately 75,000 square feet, including indoor aquatics, fitness and gymnasium space, community meeting rooms and supporting amenities; and

WHEREAS, on March 4, 2025, the City Council approved the previous final concept design and gave staff approval to work with COAR on preparing the 100% construction document design; and

WHEREAS, the process the City typically uses is the Design-Bid-Build (DBB) project delivery method; and

WHEREAS, due to the project's complexity, cost constraints, scheduling concerns, and potential cost escalation, Staff is recommending utilizing the Construction Manager-At-Risk process (CMAR); and

WHEREAS, the construction manager hired pursuant to the CMAR project delivery process ultimately provides a Guaranteed Maximum Price (GMP) for construction, assumes risk for cost and schedule, and manages subcontractors; and

WHEREAS, the advantages of the CMAR process are: collaboration; cost control; time savings; risk management; and flexibility as more fully set in the Staff Report; and

WHEREAS, COAR has designed projects using the CMAR process and has experience in CMAR contract administration; and

WHEREAS, pre-construction services will be funded through the approved project budget and the final contract for construction, which will include the GMP, will be brought back to the City Council for approval before construction begins

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve update design for the Recreation and Aquatics Center
2. Approve the use of the Construction Manager-At-Risk delivery method for the Recreation and Aquatics Center project.
3. and request staff to come back to the council no later than the second meeting in October with language to establish Labor Standards for the Recreation and Aquatics Center project to be included in the Request for Proposals.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 3rd Day of September 2025 by the following vote:

AYES, COUNCIL MEMBERS: McAdams, McCarthy, Biala, Delgado, Visscher

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Liesbeth Visscher, Mayor Pro Tem

ATTEST:

Anita Sharp, Deputy City Clerk

Benefits of the Construction Manager at Risk (CMAR) Delivery Method for the Marina Sports and Aquatics Center

As the City considers delivery methods for its new Sports and Aquatics Center, the Construction Manager at Risk (CMAR) approach offers notable advantages over traditional methods such as Design-Bid-Build (DBB). Although the City has not previously used CMAR, this method presents an opportunity to increase collaboration, manage cost risk, and improve project outcomes.

Under the CMAR model, the City retains a General Contractor (CMAR) during the design phase—specifically for this project, at the 30% Construction Documents Phase. This allows the contractor to engage early enough in the planning process to have some impact - working alongside the architect (COAR Design Group) to provide pre-construction services. These include cost estimating, constructability reviews, and value engineering recommendations, which can lead to more efficient design suggestions and better cost control. Early involvement of the contractor facilitates real-time pricing feedback, helping the City make informed design decisions within its projected budget. This process also allows for identification of long lead items as well as any potential schedule impacts from site conditions, weather, subcontractor availability, etc.

A key feature of CMAR is the Guaranteed Maximum Price (GMP), which the contractor provides after sufficient design development, along with preliminary bidding of key trade packages. This allows the contractor to assess the scope of work while providing price certainty to the City. This limits the City's financial exposure while still allowing flexibility during design development. The contractor assumes the risk of cost overruns beyond the GMP, except for owner-directed changes or unforeseen conditions outside their control, incentivizing accurate estimating and proactive risk management. The later in the process the GMP can be defined, the less risk for the contractor and lower contingency amounts that need to be carried in the project budget.

To ensure competitive pricing for the actual construction work, CMAR contractors are required to publicly solicit bids from qualified subcontractors for each trade package. The CMAR manages the bidding process transparently, often with City oversight or participation during bid openings. This open-book approach allows the City to verify that pricing is market-driven and fair, while still benefiting from the CMAR's expertise in evaluating scopes of work, leveling bids, and selecting the most qualified and cost-effective subcontractors. When permitted by policy, the CMAR may submit competitive bids to self-perform work, but must be selected under the same transparent and competitive conditions as other subcontractors.

Throughout the project, the CMAR is expected to participate in regular coordination meetings with City staff and the design team. This ongoing collaboration helps resolve design and scheduling issues early, reducing the likelihood of delays and change orders during construction.

Compared to Design-Bid-Build, where the contractor is brought in after design is complete, CMAR allows for early input that can optimize constructability and budget adherence. Unlike conventional Design-Bid-Build, which combines design and construction under a single contract and can reduce the City's direct influence over design decisions, CMAR maintains separate contracts with the architect and contractor. This preserves design control while integrating construction insight and expertise early in the process.

In summary, CMAR offers the City a balanced approach to risk management, cost control, and design collaboration for the new Sports and Aquatics Center compared to a traditional Design-Bid-Build approach. With open-book subcontractor bidding, early contractor involvement, and guaranteed price protection, CMAR provides a transparent and collaborative path forward for delivering a complex public facility efficiently and responsibly.

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 3, 2025

**CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2025-,
APPROVING AN UPDATED DESIGN FOR THE RECREATION AND
AQUATICS CENTER; APPROVING THE USE OF THE CONSTRUCTION
MANAGER-AT-RISK PUBLIC WORKS PROJECT DELIVERY METHOD
FOR SAME; AND AUTHORIZING THE CITY MANAGER OR DESIGNEE
TO ISSUE A REQUEST FOR PROPOSAL FOR CMR SERVICES.**

REQUEST:

It is requested that the City Council consider adopting Resolution No. 2025- :

1. Approving an updated design for the Recreation and Aquatics Center; and
2. Approving the use of the Construction Manager-At-Risk public works project delivery method for the Recreation and Aquatics Center project and
3. Authorizing the City Manager to issue a Request for Proposals for CMAR services.

BACKGROUND:

The Recreation and Aquatics Center has been a priority project for several years with the City Council. Numerous open houses, community input sessions, surveys, and public hearings have been held that have influenced and refined the project scope and designs to ensure that the design and construction of the facility meets our community needs.

The new Recreation and Aquatics Center is designed and programmed to be as inclusive as possible to serve the broadest possible demographic of residents youth, and seniors, and to provide year-round health, fitness, and aquatics programs indoors. The planned facility is approximately 75,000 square feet, including indoor aquatics, fitness and gymnasium space, community meeting rooms, and supporting amenities.

On March 4, 2025, the City Council approved the previous final concept design and gave staff approval to work with COAR on preparing the 100% construction document design.

ANALYSIS:

City staff and COAR have been working out final design details including the location of the walking track, final layout of administrative offices, additional storage, and additional space for the fitness equipment. COAR will be reviewing these final details with the City Council.

Traditionally, the next step would to complete the 100% final construction documents, and then put the project out for bid. This is the process the City typically uses and is called the Design-Bid-Build (DBB) project delivery method.

However, due to the project's complexity, cost constraints, scheduling concerns, and potential cost escalation, staff is recommending utilizing an alternative to the DBB public works project delivery method called Construction Manager-At-Risk process (CMAR). Attached as **EXHIBIT A** is a brief overview of this process.

Although the CMAR process is not specifically singled out and identified by name in the City's Municipal Code, pursuant to Section 2.05 of the City's Charter, the City has broad authority to establish standards, procedures, rules, or regulations to regulate all aspects of the bidding, award and performance of any City public works contract and, therefore, has the authority to approve use of this process for the Recreation and Aquatics Center project. Nevertheless, to make the Council's authority explicit, the City Attorney is also recommending that, separate from approval of this process for the Recreation and Aquatics Center, Council adopt an ordinance to codify the framework for using alternative project delivery methods, including the CMAR process, as well as another method called Design-Build. The CMAR process as described here would be consistent with that ordinance once adopted.

Under the CMAR process, the City hires a construction manager during the final design phase, who works collaboratively with the architect and City to provide pre-construction services including cost estimating, value engineering construction plan review and scheduling. The CMAR ultimately provides a Guaranteed Maximum Price (GMP) for construction, assumes risk for cost and schedule, and manages subcontractors.

The Advantages of a CMAR process is:

- Collaboration: CMAR is engaged early, improving construct ability, phasing, and scheduling.
- Cost Control: CMAR provides cost estimates throughout design and delivers a Guaranteed Maximum Price (GMP).
- Time Savings: Overlapping design and construction phases can reduce project duration.
- Risk Management: The construction risk shifts from the City to the CMAR through the GMP. The CMAR model provides risk-sharing and incentive alignment to minimize change orders and delays.
- Flexibility: Allows selection of a contractor based on qualifications and experience not just low bid.

Previously, COAR designed projects using the CMAR process and has experience in CMAR contract administration.

While the CMAR offers a GMP, it may not always yield the absolute lowest construction cost compared to traditional Design-Bid-Build, where the lowest bidder is usually selected. The CMAR delivery method is not expected to increase the project costs, and we anticipate it will reduce overall costs through early collaboration, design modification, improved scheduling, enhanced cost control, and reduced project risks.

Pre-construction services will be funded through the approved project budget. The final construction contract for the Recreation and Aquatic Center, which will include the final GMP, will be brought back to the City Council for approval before construction begins.

FISCAL IMPACT:

The project budget is funded at \$ 41.7 million.

Respectfully submitted,

Layne Long
City Manager
City of Marina