



CITY OF ORLANDO

MEMORANDUM

TO: David Billingsley, CPSM, C.P.M., Chief Procurement Officer
Procurement & Contracts Division

FROM: David L. Dunn, CFM, Division Manager
Fleet & Facilities Management Division

DATE: May 31, 2016

SUBJECT: Change Order to the current City Hall Contract

The purpose of this correspondence is to request a Change Order funded by FAC0009_P to the current City Hall Contract held by Owens Realty Services to support the Energy efficiency Upgrades to City Hall.

Owens Realty Services will co-manage, and in some cases manage portions of the City Hall energy upgrade and remodel project. These projects, running concurrently, will take 18-24 months to bring to conclusion. In the chart below please find the fee and how it measures against their current fee structure.

Project	Project value	If @ contracted rate	Proposed fee
Energy upgrade	\$5,500,000	\$550,000	\$96,250 (1.75%)
Remodel	\$1,300,000*	\$130,000	\$48,750 (3.75%)
	*projected cost		
		TOTAL	\$145,000

To be invoiced quarterly at \$24,166.67, six invoices total. The invoice amounts will vary as the quarterly expenditures for the FFE will vary.

Industry-wide, the typical project management fee structure is between 2%-10%. We project to incur a minimum of 4160 man-hours toward project management of these initiatives; including security & access, coordination & scheduling, inspections, reporting, etc. At an hourly rate, the requested fee is \$34 an hour. The industry average hourly rate is typically \$36 and up.

This increase in fee cannot be assigned to an M/WBE firm so the good-faith goals in our current contract are not applicable. It is worth noting, however, that all the electrical and low voltage work associated with the systems furniture install is assigned to an MBE firm.

cc:

Laurie Botts, Real Estate Division Manager
Joseph Hinely, Fleet & Facilities Management Assistant Division Manager
Doris Wasson, CAM, CFM, LEED AP, Director of Operations Owens Realty Services