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**PARKS, RECREATION & FACILITIES
MANAGEMENT**

Dean R. Gazza, Director

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TO: Finance Committee

FROM: Dean R. Gazza, Director of Parks, Recreation and Facilities Management

DATE: 10/6/2017

RE: Action Item: Approval of Guaranteed Maximum Price Amendment to Miron Construction for the Fox Cities Exhibition Center for a total contract not to exceed \$29,287,381.48.

The delivery method utilized for this project is Construction Manager at risk (CM) and varies from the traditional design-bid-build delivery method used when time is not a project constraint. In this method, the CM is hired as the Owner's agent and contracts directly with sub-contractor(s) in an "at-risk" position. All work is publicly bid to comply with state bidding laws. Once the lowest qualified bidder is determined, the sub-contractor(s) contracts with the CM to complete the work. The CM provides a guaranteed maximum price in which any costs above this are the risk of the CM. The City only pays for the actual costs of the work completed (up to the maximum guarantee) and any change orders if there is a scope change.

The Guaranteed Maximum Price includes all the previous contracts approved by the Common Council that totaled \$28,510,265.48. The additional funds covers contingency (2.7%), insurance and payment/performance bonds.

Please feel free to contact me at 832-5572 with any questions, or by email at dean.gazza@appleton.org.