



UNIVERSITY PARK CITY COUNCIL AGENDA MEMO

Meeting Date:
9/2/2025

Item Type:
Action Item

**Subject: Consider Guaranteed Maximum Price Proposal –
Fondren Building, Phase 1, Stage 2**

Prepared By: Elizabeth Anderson, Purchasing Manager

Background:

City Council approved a contract with CGC General Contractors in March 2025 for Construction Manager at Risk (“CMAR”) services at 5620 Fondren Drive. As part of the agreement, CGC publicly bids the trade work and assembles a Guaranteed Maximum Price (“GMP”) proposal for each major stage of the project, as identified by staff and the Architect. Construction for this building has been broken out into three major stages:

Phase 1 “Shell and Core”

- Stage 1 – GMP \$2,100,840.40 - approved June 3, 2025
 - Foundation & roof repairs, update to exterior framework, plumbing & electrical rough-in, concrete in parking lot
- **Stage 2 – GMP \$1,875,642.45 – for consideration tonight**
 - Install restrooms, interior office walls, gun range

Phase 2 “Tenant Improvements”

- Stage 1 - GMP to be determined in Fall 2025
 - furniture, appliances, shelving, electronic equipment

Phase 1 “Shell and Core” involves roughly two dozen trades. During this phase, the interior and exterior framework of the building will be modified and strengthened, and mechanical, electrical, and plumbing work necessary for the intended uses of the building will begin. Workers will install restrooms, add new walls and reinforce roofing, doors and windows. This phase also includes the installation of the Action Target gun range. The first GMP package for Phase 1 “Shell and Core” was \$2,100,840.40, which City Council approved at the June 3, 2025 Council meeting.

CGC has publicly bid the remainder of the trade work for Phase 1 of this renovation, and has assembled a GMP for the second half of the “Shell and Core” work. Staff is asking Council to consider this proposal tonight:

Pre-Construction Service Fee	\$3,896.57
GMP 2 Construction Costs	\$1,686,824.92
Contingency (5% of COW)	\$84,341.25

Bonds & Insurance	\$30,476.06
CMAR Construction Fee at 3.88%	\$70,103.65
Total GMP 2 Construction Cost	\$1,875,642.45

This brings the grand total construction cost to date to \$3,976,482.85 when combined with the first GMP.

Phase 1 construction is expected to take 110 work days and should be complete by early November 2025. Phase 2 of the construction project involves tenant improvements, such as furniture, appliances, shelving, and electronic equipment. Staff will bring the GMP for this Phase to Council in the Fall. Phase 2 work will be complete in March 2026.

This project is funded from the SMU Land Sale Fund. That committee has approved \$4,500,000.00 for renovation expenses.

Fiscal Impact:

- ☐ Not Applicable
- ☐ Budget Amendment Required
- ☐ Proposed Revenue
- ☒ Proposed Expenditure

Funding Source: SMU Land Sale Fund

Master Plan Goal:

Please check the associated Theme and provide the corresponding action item number.



	Theme	Action Item(s)
<input type="checkbox"/>	Affirming Sense of Place	
<input type="checkbox"/>	Assuring Connectivity	
<input type="checkbox"/>	Innovative Governance	
<input type="checkbox"/>	Technological Integration	
<input checked="" type="checkbox"/>	Preparing for the Future	4.2
<input type="checkbox"/>	Not Applicable	

Recommendation:

Staff recommends that Council approve the GMP for Phase 1, Stage 2 in the amount of \$1,875,642.45.

Committee Review (*optional*):

Attachments:

Proposal for GMP # 2