

REVISED

Agenda Report

TO: CITY COUNCIL **DATE:** February 27, 2006

THROUGH: FINANCE COMMITTEE

FROM: CITY MANAGER

SUBJECT: CITY HALL SEISMIC RETROFIT PROJECT -
APPROVAL OF CONTINGENCY ADJUSTMENTS AND CHANGE
ORDER #3 TO THE GENERAL CONTRACTOR

RECOMMENDATION

It is recommended that the City Council:

- 1) Approve the allocation of \$234,507 from Project Contingency for unforeseen conditions and activities discovered during the retrofit of City Hall, thereby reducing the amount of Project Contingency from \$7,923,016 to \$7,688,509;
- 2) Authorize the City Manager to execute Change Order #3 to Contract Number 18,768-1 with Clark Construction Group-California, LP (Clark Construction), for increases in scope of work due to unforeseen conditions discovered during the retrofit of City Hall, thereby increasing the contract amount by \$234,507 from \$79,611,896 to \$79,846,403;

CITY HALL RESTORATION OVERSIGHT COMMITTEE ADVISORY DIRECTION

On February 8, 2006, the City Hall Restoration Oversight Committee reviewed and discussed the above topics of contingency adjustments, General Contractor Change Order #3 and recommended the following:

The Committee concurred that these changes are reasonable and consistent with ongoing construction activities of similar projects. The committee recommended that the City Council authorize the allocation of \$234,507 from Project Contingency and increase Contract Number 18,768-1 with Clark Construction by \$234,507.

BACKGROUND

On January 31, 2005, the City Council authorized the City Manager to execute the City Hall general contractor contract (Contract Number 18,768) with Clark Construction in the amount of \$79,899,000.

On May 23, 2005, the City Council authorized the City Manager to execute an amendment to Contract Number 18,768 with Clark Construction, reflecting the revised Change Order Approval Authority of the City Manager. The amended contract is Contract Number 18,768-1.

On August 15, 2005, the City Council authorized the City Manager to execute Change Order #1 to Contract Number 18,768-1 with Clark Construction, for a combination of scope reductions and increases.

On November 21, 2005, the City Council authorized the City Manager to execute Change Order #2 to Contract Number 18,768-1 with Clark Construction, for a combination of scope reductions and increases.

PROJECT CONTINGENCY ADJUSTMENTS

During ongoing construction, the project has encountered unforeseen conditions as detailed in the List of Contingency Adjustments (Attachment #1). The proposed Change Order #3, referenced as item #4 below, proposes to transfer \$234,507 from Project Contingency, resulting in a reduced Project Contingency balance of \$7,688,509 as follows:

1)	Beginning Project Contingency (1/31/05)	\$8,642,014
2)	City Council Approved Contingency Adjustment (8/15/05)	(351,207)
3)	City Council Approved Contingency Adjustment (11/21/05)	(367,791)
	Project Contingency Balance (11/21/05)	<u>\$7,923,016</u>
4)	Proposed Contingency Adjustments (2/27/06)	
A.	General Contractor (Change Order #3)	<u>(234,507)</u>
B.	Project Contingency Balance (2/27/06)	<u>\$7,688,509</u>

GENERAL CONTRACTOR CHANGE ORDER #3

During ongoing construction, the general contractor has encountered unforeseen conditions as listed in Attachment #1. This contract Change Order #3 increases the scope of work to Contract Number 18,768-1 with Clark Construction in the amount of \$234,507, thereby increasing the contract sum to \$79,846,403 as follows:

1)	Current City Council-Approved Contract Award	\$79,611,896
2)	Proposed Change Order #3 (2/27/06)	234,507
	Proposed Contract Sum:	<u>\$79,846,403</u>

SCHEDULE CHANGES

To date, no changes in the milestone completion dates have been authorized. The overall project is on schedule and unchanged since the award of the general contractor bid.


FISCAL IMPACT

The City Hall project budget of \$117,594,083 has not changed since the award date of the general contractor's contract on January 31, 2005. The proposed contingency adjustment in the amount of \$234,507 reduces the total City Hall project contingency from \$7,923,016 to \$7,688,509.

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

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Approved by:


Martin Pastucha, Director
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CITY HALL SEISMIC RETROFIT PROJECT

Contingency Adjustments Detail

	A.	B.	C.	E.
		Description	Total	Comments
1	I.	Beginning Contingency Balance 1/31/05	\$ 8,642,014	
2				
3	II.	City Council Approved Changes 8/15/05	(351,207)	
4				
5	III.	City Council Approved Changes 11/21/05	(367,791)	
6				
7	IV.	Proposed Contract Adjustments 2/27/06		
8	A.	Proposed City Contracted Adjustments 2/27/06	-	
9				
10	B.	Proposed General Contractor Adjustments 2/27/06 (Change Order #3)		
11	CCD 7	Re-routing of outside & exhaust air duct thru roof (18)	(81,861)	Insufficient building systems coordination/detail shown on plans
12	CCD 14	Crack in beam above door #0N34 (basement)	(1,053)	Unforeseen field condition.
13	CCD 20	Provide new A/C motor controllers in two elevators per owners request	VOID	City departmental request rescinded
14	CCD 24	Modifications to collector steel at shed roof (arcade)	(1,969)	Unforeseen field condition.
15	CCD 29	Brick ledge - interior hollow columns @ rotunda (8)	VOID	No cost impact
16	CCD 37	Expand concrete door opening to allow 6-8" opening, finish case openings and fur out concrete walls due to unforeseen concrete wall condition @ N331, N336 (storage room))	(6,312)	Unforeseen field condition.
17	CCD 46	Modify concrete beam for elevator #3 @ 2nd & 3rd flr	(993)	Unforeseen field condition.
18	CCD 48	Changes to addendum 3 water closets	15,880	City departmental fixture change
19	CCD 50	Perimeter molding removal & ceiling change (3rd)	(5,223)	Unforeseen field condition due to concealed assembly.
20	CCD 54	Delete corridor ceiling in basement South	(15,659)	Insufficient building systems coordination/detail shown on plans

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Contingency Adjustments Detail

	A.	B.	C.	E.
		Description	Total	Comments
21	CCD 56	Increase in fire pump size	(20,133)	Insufficient City water pressure
22	CCD 57	Electrical changes - add lighting @ stair #7, increase elevator #3 electrical capacity	(15,100)	Insufficient electrical power requirements shown on plans
23	CCD 61	Electrical requirements for trash lift	(5,098)	Insufficient electrical information to allow installation of future equipment.
24	CCD 62	Stainless steel embedment anchor revision	(6,287)	Insufficient structural information shown on drawings.
25	CCD 65	Traffic control room roll-up door motor power	(2,625)	Insufficient electrical information to allow installation of future equipment.
26	CCD 67	Various drywall/plaster changes to conceal utility systems	(7,350)	Insufficient building systems coordination/detail shown on plans
27	CCD 73	Electrical poke thru device changes	(5,464)	Conflict between electrical, architectural and structural systems
28	CCD 76	Additional Mock-up for SHPO site tour	(32,632)	Conflict between architectural, mechanical and structural systems requiring further design studies
29	CCD 82	Grounding requirements	(20,475)	Insufficient electrical information to allow proper grounding of transformers

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Contingency Adjustments Detail

	A.	B.	C.	E.
		Description	Total	Comments
30	CCD 85	Added transformer Nuetrals	(11,655)	Insufficient electrical information
31	CCD 86	3rd floor N325 Electrical requirements	(2,825)	Unforeseen field condition
32	CCD 90	Added lighting & telephone @ cooling tower	(7,673)	Insufficient electrical information to allow installation of future equipment.
33				
34		Total General Contractor Adjustment (Change Order #3)	(234,507)	
35				
36	V.	Ending Contingency Balance (2/27/06 proposed)	7,688,509	
37				