

Agenda Report

TO: CITY COUNCIL **DATE:** JULY 24, 2006
THROUGH: FINANCE COMMITTEE
FROM: CITY HALL RESTORATION OVERSIGHT COMMITTEE
SUBJECT: CITY HALL SEISMIC RETROFIT PROJECT—QUARTERLY UPDATE

RECOMMENDATIONS

This report is for informational purposes only.

BACKGROUND

This report represents the progress update to the City Council for the period April 1, 2006, through June 30, 2006.

PROGRESS UPDATE

The Committee met three times during the most recent quarter. At that time, the following topics were reviewed:

1. Project Schedule: The overall project is on schedule and unchanged since the award of the general contractor bid. The general contractor's date of Substantial Completion remains on July 9, 2007, and Final Completion remains on October 8, 2007. As defined in the general contractor contract, achieving Substantial Completion will allow staff to safely occupy the City Hall building and terminate external lease obligations.
2. Project Budget: The overall project remains on budget at this time, with the total project budget remaining at \$117,594,083.
 - A. Project Contingency Deductions: The City Hall Restoration Oversight Committee reviewed Change Orders #4 and #5 that were subsequently approved by the City Council on April 24, 2006, and June 12, 2006. The Committee concurred that these changes are reasonable and consistent with ongoing construction activities of similar projects. The recap of expended project contingency through June 2006 is 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)
4) City Council Approved Contingency Adjustment (2/27/06)	(234,507)
5) City Council Approved Contingency Adjustment (4/24/06)	(309,534)

6)	City Council Approved Contingency Adjustment (6/12/06)	(50,743)
	Project Contingency Balance (6/12/06)	\$7,328,232

- B. Potential Budget Impacts: As noted during the Quarterly Update to City Council in January 2005, the Committee will be tracking topics which may or may not result in future budget impacts.
- C. Unfunded portion of budget: The approved project budget anticipated \$6 million to be raised from grant and fund-raising activities. Previously, the City had procured a \$3 million grant through the Federal Emergency Management Agency's (FEMA's) 2005 Pre Disaster Mitigation (PDM) program. Staff continued to pursue all applicable funding opportunities for the project and in January 2006 the City submitted a grant application for \$1.15 million to the California Cultural and Historical Endowment (CCHE) pursuant to Proposition 40 State Bond Funding. The CCHE Board recommended the Pasadena City Hall project for grant funding in the amount of \$800,000. Receipt of the CCHE and FEMA awards equates to \$3.8 million in grant funding, thus reducing the project's \$6 million unfunded budget shortfall by 63% to \$2.2 million. Because project construction is more than 70% complete, coupled with the funding restrictions of many granting agencies, it is unlikely that the project will be eligible for further grant funding. The limited grant opportunities are due in large part to the project schedule and the grant requirement that restricts eligibility to items where no work has begun prior to award. The Committee will continue to monitor grant and fundraising activities moving forward.
3. Construction Activities: Many of the Oversight Committee members toured the project site and concurred with the following observations:
- A. Historic building and site protection: The general contractor continues to protect and safeguard the project's historic features. Special attention was directed toward the Council Chamber ceiling this quarter. The requirements of the Fire Code mandate that a fire suppression system be maintained in this public space which proved to be either very intrusive, destructive or both, with regard to the original ceiling. As a result, the Fire Code makes preservation of the existing ceiling nearly impossible. In addition, the proposed technology changes in the Council Chamber require that new support infrastructure be installed. This installation will also significantly impact the existing ceiling. After consultation with the architectural team, including the historic preservation consultant, and consideration of the existing condition of the ceiling and the fragility of its original material, the Committee recommended that the ceiling be removed and the combustible wood framing be replaced with metal framing and sheetrock following the original design and profiles. The visible ceiling surface will then be replicated using in-kind materials and the original stenciling will be replicated. The same has been communicated to FEMA and the State Historic Preservation Officer (SHPO). Staff along with the consultant team is moving forward with the removals while working to salvage portions of the existing ceiling including the stenciled artwork.

- B. Tree protection: The general contractor continues to follow tree protection measures as laid out in the contract, with oversight by the City’s consulting arborist, Cy Carlberg. The Project Team is working with Parks and Natural Resources Staff, Clark Construction, and Ms. Carlberg to monitor the continuing health of the trees, and implement corrective measures as necessary.
- C. Construction status: The general contractor is proceeding on or ahead of schedule with the critical areas of the basement well underway. The completion status of the areas of interest is as follows:

1)	Historic building/site protection (maintenance ongoing)	100%
2)	Demolition (basement, arcade and interior partitions)	100%
3)	Earthwork and excavation	95%
4)	Shoring and moat construction	95%
5)	Basement structural systems	60%
6)	Mechanical, electrical, plumbing and fire protection	60%
7)	Interior framing and partitions	90%
8)	Exterior building restoration	60%
9)	Interior finishes	30%
10)	Elevator and ADA installation	25%
11)	Site work	0%

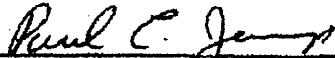
In conclusion, the Committee continues to witness impressive progress by the general contractor and will continue to tour the site regularly to follow construction activities. For those interested in seeing detailed construction activities, please access the Pasadena City Hall Website to view the monthly construction progress photographs.

- 4. Local Pasadena Outreach Activities: Clark Construction continues to perform local outreach efforts as stipulated in their general-contractor contract. Clark Construction’s outreach coordinator (Center for Community and Family Services) appears to be committed to achieving four numeric outreach goals, with a status update as follows:

<u>Description:</u>	<u>Goal:</u>	<u>Through June:</u>
A. Local hiring	25-50	47
B. Local business participation	\$630k to \$1 million	\$646,521
C. Local purchases	\$370k to \$660k	\$506,650
D. Union apprentice sponsorships	30	18

The Committee, staff and the City's local outreach consultant (CBA Associates) will continue to monitor the status of the general contractor's outreach efforts moving forward.

Respectfully submitted,



DR. PAUL JENNINGS, Chair
City Hall Restoration Oversight Committee