

Agenda Report

TO: CITY COUNCIL **DATE:** AUGUST 15, 2005
THROUGH: FINANCE COMMITTEE
FROM: CITY MANAGER
SUBJECT: CITY HALL SEISMIC RETROFIT PROJECT -
APPROVAL OF CHANGE ORDERS AND CONTRACT AMENDMENTS

RECOMMENDATION

It is recommended that the City Council

- 1) Approve the allocation of \$351,207 from Project Contingency for unforeseen change orders for the City Hall project;
- 2) Authorize the City Manager to execute an amendment in the "not to exceed" amount of \$334,215 to Contract Number 18,686 with TRI SPAN, Inc., for asbestos abatement services uncovered during the retrofit of City Hall, thereby increasing the amount of Contract Number 18,686 from \$290,785 to \$625,000; and
- 3) Authorize the City Manager to execute an Amendment to Contract Number 18,768 with Clark Construction Group – California, LP, for a combination of scope reductions and increases due to unforeseen conditions uncovered during the retrofit of City Hall, thereby reducing the amount of Contract Number 18,768 by \$492,793 from \$79,899,000 to \$79,406,207.

CITY HALL RESTORATION OVERSIGHT COMMITTEE RECOMMENDATION

On July 13, 2005, the City Hall Restoration Oversight Committee reviewed and discussed the list of change orders. The Committee concurred that the topics represented changes in condition and supported deducting the associated costs from project contingency funds. Further, the Committee concurred that these changes are reasonable and consistent with the beginning stages of similar projects.

BACKGROUND

On January 31, 2005, the City Council authorized the City Manager to execute the City Hall general contractor contract with Clark Construction Group-California, LP, in the amount of \$79,899,000.

At that time, the City Hall project budget equated to \$117,594,083, with a total project contingency equating to \$8,642,014. To date, no contingency expenditures have been authorized.

ASBESTOS ABATEMENT CONTRACT AMENDMENT

On November 22, 2004, City Council approved Contract Number 18,686 with TRI SPAN, Inc., for asbestos abatement services in the amount of \$290,785. This contract amendment in the amount of \$334,215 represents an increase to Contract Number 18,686 from \$290,785 to \$625,000. Though the asbestos abatement contract was issued for less, the project budget anticipated spending \$400,000 for such services. As listed on Attachment #1, the amount recommended for deduction from project contingency funds equates to \$225,000.

The change in condition was due to locating additional asbestos materials uncovered during demolition activities. The areas most notable were found in multiple layers of flooring material as well as horizontal branch piping that feed the radiator heating units in the perimeter walls.

GENERAL CONTRACTOR CONTRACT AMENDMENT

On January 31, 2005, City Council approved Contract Number 18,768 with Clark Construction Group – California, LP, in the amount \$79,899,000 for the City Hall Seismic Retrofit Project.

During the demolition and earthwork phases of the project, the contractor encountered the unforeseen conditions in the amount of \$126,207 as listed in General Contractor portion of Attachment #1. Additionally, in order to further insure local community involvement, the City will be contracting directly for the construction of public counters/break room cabinetry, floor preparation/installation of floor coverings (carpet and VCT), and break-room appliances. Clark's contract will be reduced by \$619,000 which was the amount declared by the contractor for these work items at bid time. This contract amendment adjusts the contract as follows:

1) Unforeseen conditions: (line item #19 of Attachment #1)	\$126,207
2) Scope reductions and reassignment of scope to the City:	<u>(\$619,000)</u>
Total Contract Amendment:	<u>(\$492,793)</u>

This contract amendment in the amount of (\$492,793) decreases the amount of Contract Number 18,768 from \$79,899,000 to \$79,406,207.

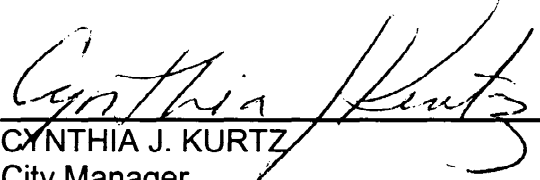
SCHEDULE IMPACTS

To date, no schedule impacts have been authorized. 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 July 9, 2007 and Final Completion remains October 8, 2007.


FISCAL IMPACT

The City Hall project budget equates to \$117,594,083. The proposed contract amendments will reduce the total City Hall project contingency by \$351,207 from \$8,642,014 to \$8,290,806.


Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

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Approved by:


Martin Pastucha, Director
Department of Public Works

CITY HALL SEISMIC RETROFIT PROJECT

List of Contingency Adjustments

A.	B.	C.	D.
	Description	Total	Comments
1	I. Beginning Contingency Balance 1/31/05	8,642,014	
2			
3	II. City Contracted Adjustments		
4	A. Tri Span (Asbestos Abatement)		The project budgeted \$400,000 for asbestos abatement. Due to unforeseen asbestos materials located in the walls, ceiling and flooring, an increase to the contract for removal is required. Tri span contract will increase to \$625,000.
5	Subtotal City Contracted Change Orders	(225,000)	
6		(225,000)	
7	III. General Contractor Change Orders		
8	CCD 1 Wall tile @ 4th flr restroom		Unanticipated asbestos was located behind historic bathroom walls on level 4. Additional scope of work is necessary to replace the plaster and tile removed by the abatement contractor.
9	CCD 2 Damage to plaster walls & wall base	(4,219)	
10	CCD 3 Increase to fan coil units	(114,675)	Additional asbestos containing material was located on the horizontal branch piping for the old radiator heating system. Extensive repair of lath, plaster and wall is now required. This change order represents all costs associated with repairing all lath, plaster and wall base.
11	CCD 4 Replicate H9 historical fixture	(14,312)	Conflict between fan coil units specified and the manufacturer's performance criteria. Mechanical Engineer changed the units specified to insure adequate cooling.
12	CCD 5 Delay Claim Haz Mat	(1,083)	The light fixture restoration schedule missed one historic light fixture previously removed by the City.
		-	DENIED

CITY HALL SEISMIC RETROFIT PROJECT

List of Contingency Adjustments

A.	B.	C.	D.
	Description	Total	Comments
13	CCD 9 Vented isolation space covers (Alt 17)		CREDIT for reduction in scope. The scope associated with the installation of baseisolator covers (23k) will be deleted from the project. The contract modification will also reduce Clark's contract and re-assigns scope to the City for carpet and vinyl flooring (\$316k), plastic laminate cabinetry (\$276k) and appliance installation (\$27k).
14	CCD 10 Framing at grid line 18 between t9 & u9	23,000	Unforeseen field condition. Extension of structural steel supports through the basement ceiling to carry weight of vaults above.
15	CCD 11 Breaking the structural steel channel & adding end plate	(3,306)	Inadequate support detail provided by the structural engineer.
16	CCD 12 Extended collector steel to column	(3,546)	Unforeseen field condition. The beam shown on plans does not exist.
17	CCD 13 Beam interference w/ collector steel	(5,025)	Insufficient structural information/detail shown on plans.
18			
19	Subtotal GC Change Orders	(126,207)	
20			
21	Total Change Orders	(351,207)	
22			
23	IV. Ending Contingency Balance	8,290,806	
24			