

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** NOVEMBER 21, 2005

**THROUGH:** FINANCE COMMITTEE

**FROM:** CITY MANAGER

**SUBJECT:** CITY HALL SEISMIC RETROFIT PROJECT -  
APPROVAL OF CONTINGENCY ADJUSTMENTS, GENERAL  
CONTRACTOR CHANGE ORDER #2, AND ARCHITECT CONTRACT  
AMENDMENT

## **RECOMMENDATION**

It is recommended that the City Council:

- 1) Approve the allocation of \$367,791 from Project Contingency for unforeseen conditions and activities discovered during the retrofit of City Hall, thereby reducing the amount of Project Contingency from \$8,290,807 to \$7,923,016;
- 2) Authorize the City Manager to execute Change Order #2 to Contract Number 18,768-1 with Clark Construction Group-California, LP, for increases in scope of work due to unforeseen conditions uncovered during the retrofit of City Hall, thereby increasing the amount of Contract Number 18,768 by \$205,689 from \$79,406,207 to \$79,611,896;
- 3) Authorize the City Manager to execute an Amendment in the amount of \$186,743 to Contract Number 16899-4 with Architectural Resources Group ("ARG") for increases in design services related to the seismic retrofit of City Hall, thereby increasing the amount of Contract Number 16899-4 from \$6,447,254 to \$6,633,997;

## **CITY HALL RESTORATION OVERSIGHT COMMITTEE ADVISORY DIRECTION**

On November 9, 2005, the City Hall Restoration Oversight Committee reviewed and discussed the above topics of contingency adjustments, General Contractor change order #2 and Architect contract amendment and made the following motion:

The Committee concurred that the topics referenced on Attachment #1 (Contingency Adjustments Detail) represented changes in condition and supported deducting

\$367,791 from project contingency funds and issue Change Order #2 in the amount of \$205,689 to Clark Construction. The Committee also supported issuing a contract amendment to the Project Architect, in the amount of \$186,743, for additional scope of work. The Committee concurred that these changes are reasonable and consistent with ongoing construction activities of similar projects.

### **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 Group-California, LP, 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 Group-California, LP, reflecting the revised Change Order Approval Authority of the City Manager.

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

### **PROJECT CONTINGENCY ADJUSTMENTS**

During demolition, earthwork, and construction phases of the project, the project has encountered unforeseen conditions as detailed in the List of Contingency Adjustments (Attachment #1). This request, referenced as item #3 below, proposes to transfer \$369,711 from Project Contingency, resulting in a reduced Project Contingency balance of \$7,921,096 as follows:

1)	Beginning Project Contingency (1/31/05)	\$8,642,014
2)	City Council Approved Contingency Adjustment (8/15/05)	(351,207)
	Project Contingency Balance (8/15/05)	<u>\$8,290,807</u>
3)	Proposed Contingency Adjustments (11/21/05)	
A.	City Contracted Adjustments	(162,102)
B.	General Contractor (Change Order #2)	<u>(205,689)</u>
	Proposed Contingency Adjustment (11/21/05)	(367,791)
C.	Project Contingency Balance (11/21/05)	<u><u>\$7,923,016</u></u>

### **GENERAL CONTRACTOR CHANGE ORDER #2**

During ongoing demolition, earthwork, and construction phases of the City Hall Project, the general contractor has encountered unforeseen conditions as listed in Attachment #1. This contract Change Order #2 increases the scope of work to Contract Number 18,768-1 with Clark Construction Group-California, LP in the amount of \$205,689, thereby increasing the contract sum to \$79,611,896 as follows:

1) Current City Council-Approved Contract Award	\$79,406,207
2) Proposed Change Order #2 (11/21/05)	<u>205,689</u>
Proposed Contract Sum:	<u>\$79,611,896</u>

### **PROJECT ARCHITECT CONTRACT AMENDMENT**

Staff is recommending increasing Contract Number 16899-4 with Architectural Resources Group ("ARG") in the amount of \$186,743 for increases in design services related to the seismic retrofit of City Hall, thereby increasing the amount of Contract Number 16899-4 from \$6,447,254 to \$6,633,997. As detailed in Attachment #2, the additional scope of work is for both unassigned and unanticipated scope of work:

1) Architect Contract (5/3/04)	\$6,447,254
2) Proposed contract increases	
A. Unassigned scope of work: (Project Budget)	74,397
B. Unanticipated scope of work: (Contingency Funds)	<u>112,346</u>
Proposed contract amendment:	<u>186,743</u>
3) Proposed contract balance	<u>\$6,633,997</u>

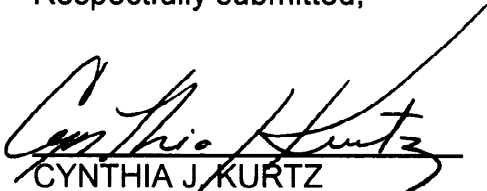
### **SCHEDULE CHANGES**

To date, no changes in the milestone completion dates have been authorized. Further, none have been requested by the Contractor. 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 remains at \$117,594,083 and has not changed since the award date of the general contractor on January 31, 2005. These proposed contingency adjustments reduce the total City Hall project contingency by \$369,791 from \$8,290,807 to \$7,923,016.

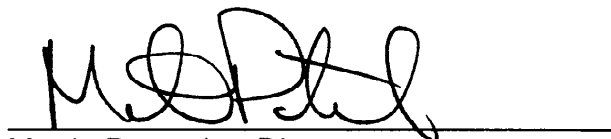
Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

Prepared by:

  
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Approved by:

  
Martin Pastucha, Director  
Department of Public Works

# CITY HALL SEISMIC RETROFIT PROJECT

## Contingency Adjustments Detail

A.	B.	C.	D.	E.
	Description	Total	Total	Comments
1	<b>Beginning Contingency Balance 1/31/05</b>		8,642,014	
2				
3	<b>City Council Approved Changes 8/15/05</b>			
4	A. City Contracted Changes	(225,000)		
5	B. General Contractor (Change Order #1)	(126,207)		
6	Contingency Balance (8/15/05)	(351,207)	8,290,807	
7				
8	<b>Proposed Contract Adjustments 11/21/05</b>			
9	A. Proposed City Contracted Adjustments 11/21/05			
10	1. Project Architect (ARG)	(112,346)		Increases in design services for Council Chamber (Information technology and council dais modifications), site security, LEED coordination and scope reduction design services. The total ARG contract amendment equates to \$186,743.
11	2. 3rd Party Commissioning Agent (Farnsworth Group)	(49,756)		The Farnsworth Group total contract amount is \$74,756. Of this amount, \$25,000 was anticipated in the project budget for operational commissioning. An addition amount of \$49,756 is required for a LEED certified commissioning agent.
12	<b>Subtotal City Adjustments (11/2/02)</b>	(162,102)		
13				

# CITY HALL SEISMIC RETROFIT PROJECT

## Contingency Adjustments Detail

A.	B.	C.	D.	E.
	Description	Total	Total	Comments
14	Proposed General Contractor Adjustments 10/24/05 (Change Order #2)			
15	CCD 6 North mechanical soldier beam placement (remove and replace north curb wall)	(21,315)		Conflict between plans and existing field conditions. Plans indicated curb wall to remain and actual field measurements required removal of the wall to allow mechanical vault to be constructed.
16	CCD 8 Removal of plaster for elements to receive structural beams (stairs/basement)	(17,353)		Unforeseen field condition. Plans did not call out removal of plaster from beams.
17	CCD 15 Delete waste house trap (exterior sewer connection)	570		Not required by code.
18	CCD 16 Demolition of ceiling in 3rd flr restroom & main corridor	(15,536)		Combination of unforeseen field conditions and insufficient architectural information/detail shown on plans.
19	CCD 17 Remove and replace 3rd floor plaster ceiling in main stair to allow MEP system installation.	(28,235)		Insufficient architectural information to allow installation of mechanical, electrical, plumbing and fire protection systems.
20	CCD 18 Changes in doors to due DWP requirements (basement vault)	VOID		Will be addressed in CCD #26.
21	CCD 19 Slab thickness difference in vault ceiling heights (SW basement)	(3,443)		Unforeseen field condition not investigated due to ITSD occupying the area during bid time.
22	CCD 21 Collector steel modifications (basement/stair)	(1,292)		Conflict between plans and field conditions.
23	CCD 22 Council Chamber ductwork remove and replace due to structural modifications	(11,189)		Conflict between plans and field conditions.

# CITY HALL SEISMIC RETROFIT PROJECT

## Contingency Adjustments Detail

A.	B.	C.	D.	E.
	Description	Total	Total	Comments
24	Revised 3rd floor collector steel connection (loggia)	(1,484)		Conflict between plans and field conditions.
25	Demolition of column bases per detail 1/S5.9	DENIED		Scope of work shown on plans and specifications.
26	Unforeseen debris encountered during excavation/drilling activities (@ hole SW, courtyard mat footing, Garfield stairs)	(11,715)		Unforeseen field conditions.
27	Column interferes with ceiling channel connection at C/8 & 15 (NW basement)	DENIED		Scope of work shown on plans and specifications.
28	Relocation of mechanical duct penetrations due to existing structural framing located in intended path of MEP systems (4th floor).	(14,024)		Conflict between structural/mechanical plans, and field conditions.
29	Extend column furring to conceal relocated plumbing risers @ S334 (X7)	VOID		Voided by general contractor.
30	Drop ceiling from 13'-6" to 11'-6", and fur columns and walls to conceal plumbing systems lowered to address MEP ceiling conflicts (N202, N233)	(1,925)		Insufficient architectural information to allow installation of mechanical, electrical, plumbing and fire protection systems.
31	Plaster ceiling modifications to conceal duct/piping, drop ceiling heights to 14'-6" from 15'-10" (N138, N130, N132)	(2,007)		Insufficient architectural information to allow installation of mechanical, electrical, plumbing and fire protection systems.
32	New plaster soffit to conceal plumbing/mechanical systems (N312)	VOID		Voided by general contractor and will be covered under new CCD.
33	Removal of mobile shelving, re-frame wall and repair plaster (rm S341)	(838)		Conflict between interior layout and MEP systems, requiring shelving removal and wall repairs.

# CITY HALL SEISMIC RETROFIT PROJECT

## Contingency Adjustments Detail

A.	B.	C.	D.	E.
	Description	Total	Total	Comments
34	Demolition of wall beam connection to allow collector steel installation at south stair tower	(13,131)		Unforeseen field conditions.
35	Additional ladder required at elevator pit Number 2	(1,413)		Insufficient information shown on vertical transportation drawings.
36	Change 3/4" studs to 3/8" studs and increase quantity of shear studs in Rotunda area.	(1,849)		Conflict between plans and field conditions.
37	Change W14x22 beam on 3rd floor South	VOID		Voided by general contractor.
38	Removal and disposal of PCB containing lighting ballast (owner responsibility)	(7,522)		Unanticipated hazardous material discovery
39	Demolition and disposal of west side arcade footing	(20,481)		Conflict in plans and field conditions.
40	Increase the size of reinforcing steel in dome footing (GB-7)	(13,212)		Structural details incorrect
41	Additional insulation at level 4 ceiling.	(10,522)		Plan omission
42	Unforeseen condition to remove a concrete wall vs. brick wall (1st, 2nd and 3rd flr South)	(7,773)		Conflict in plans and field conditions.
43				
44	Subtotal General Contractor Adjustment (Change Order #2)	(205,689)		
45				
46	Total Contingency Adjustments (this request)		(367,791)	
47				
48	Ending Contingency Balance		7,923,016	
49				



# CITY HALL SEISMIC RETROFIT PROJECT

## Proposed Architect Amendment

A.	B. Topic	C. Scope of Work	D. Subtotal	E. Total
1	<b>ARG contract amount</b>	As of 5/3/04		6,447,254
2				
3	<b>II. Proposed contract adjustments 11/21/05</b>			
4	A.	<b>Unassigned scope of work:</b> As a result of early investigation by the project team, certain design services were delayed until after the commencement of construction. The goal has been to expose existing conditions with the intent to accurately plan for future installation. The design services for the topics described below have been anticipated and budgeted for in the City Hall project budget:		
5	1. Millwork design	Staff and the project team chose to delay the design of the council dais, and traffic management console in order to further explore possible conduit routing alternatives once sections of the areas were removed	32,300	
6	2. Information technology - council chambers	Staff and the project team chose to delay the selection of technology for incorporation into the design of the council dais, and site audio. Additionally, the City will be able to procure the latest information technology equipment for incorporation into the millwork.	28,257	
7	3. Information technology - transportation management center	Staff and the project team chose to delay the selection of technology for incorporation into the TMC.	8,560	
8	4. Courtyard fountain equipment	The project team chose to delay design of fountain systems in order to field locate the existing piping and give other MEP and Fire trades routing priority.	5,280	
9		Subtotal unassigned scope	74,397	
10				

# CITY HALL SEISMIC RETROFIT PROJECT

## Proposed Architect Amendment

A.	B.	C.	D.	E.
	Topic	Scope of Work	Subtotal	Total
11		<b>Unanticipated scope of work:</b> During the final stages of the design and bidding of the project, the City requested ARG to provide the added services listed below. Such design services were not anticipated and associated costs will be deducted from project contingency.		
12	1. Public counter redesign	The design of the municipal services public counters have to be redesigned to allow for a new government requirement (HEPA).	5,700	
13	2. LEED (Leadership in Energy & Environment Design)	During the bid and award phase of the project, the City chose to submit the City Hall Project for LEED certification. These additional services incorporated LEED verbiage into the project plans and specifications during bid time as well as funds for ongoing construction administration of LEED documentation.	51,330	
14	3. Fuel tank size reduction	The emergency generator/fuel tank size reduction resulted in an approximate savings of \$300k at bid time for reduced equipment cost, moat construction, and continued maintenance.	16,396	
15	4. Bid alternate detailing	During the bidding process, City requested ARG to identify potential bid alternates to allow the project to be phased and awarded incrementally based on budgetary constraints.	22,000	
16	5. Fire inspection scope additions	An additional wall(s) is required to separate the fire pump and emergency generator in the equipment well from the building. This scope was added as a result of fire sprinkler review by the fire plan checker.	4,000	
17	6. Security cameras	Staff recommends incorporating basic security cameras in the courtyard (4), interior loggias (6), interior spaces (10), and building perimeter (4).	12,920	
18		Subtotal unanticipated scope	112,346	

# CITY HALL SEISMIC RETROFIT PROJECT

## Proposed Architect Amendment

	A.	B.	C.	D.	E.
		Topic	Scope of Work	Subtotal	Total
19					
20	III.	Total proposed Increase			186,743
21					
22	IV.	Ending contract balance			6,633,997