

Agenda Report

TO: CITY COUNCIL **DATE:** June 12, 2006

THROUGH: FINANCE COMMITTEE

FROM: CITY MANAGER

SUBJECT: CITY HALL SEISMIC RETROFIT PROJECT -
APPROVAL OF CONTINGENCY ADJUSTMENTS AND CHANGE
ORDER #5 TO THE GENERAL CONTRACTOR

RECOMMENDATION

It is recommended that the City Council:

- 1) Approve the allocation of \$50,743 from Project Contingency for unforeseen conditions and activities, as identified in Attachment 1, that were discovered during the retrofit of City Hall, thereby reducing the amount of Project Contingency from \$7,378,975 to \$7,328,232.
- 2) Authorize the City Manager to execute Change Order #5 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 \$50,743 from \$80,155,937 to \$80,206,680.

CITY HALL RESTORATION OVERSIGHT COMMITTEE ADVISORY DIRECTION

On May 10, 2006, the City Hall Restoration Oversight Committee reviewed and discussed the above topics of contingency adjustments, General Contractor Change Order #5 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 \$50,743 from Project Contingency and increase Contract Number 18,768-1 with Clark Construction by \$50,743.

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, November 21, 2005, February 27, 2006 and April 24, 2006 the City Council authorized the City Manager to execute Change Order #1, #2, #3 and #4 respectively 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 #5, referenced as item #6 below, proposes to transfer \$50,743 from Project Contingency, resulting in a reduced Project Contingency balance of \$7,328,232 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)
	Project Contingency Balance (4/24/06)	<u>\$7,378,975</u>
6)	Proposed Contingency Adjustments (6/12/06)	
A.	General Contractor (Change Order #5)	<u>(50,743)</u>
B.	Project Contingency Balance (6/12/06)	<u>\$7,328,232</u>

The change orders, including proposed Change Order #5, result in a 15% reduction in the Project Contingency balance, whereas the project is 65% completed.

GENERAL CONTRACTOR CHANGE ORDER #5

During ongoing construction, the general contractor has encountered unforeseen conditions as listed in Attachment #1. This contract Change Order #5 increases the scope of work to Contract Number 18,768-1 with Clark Construction in the amount of \$50,743, thereby increasing the contract sum to \$80,206,680 as follows:

1)	Current City Council-Approved Contract Award	\$80,155,937
2)	Proposed Change Order #5 (6/12/06)	50,743
	Proposed Contract Sum:	<u>\$80,206,680</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. The general contractor's date of Substantial Completion remains July 9, 2007, and the date of Final Completion remains October 8, 2007.

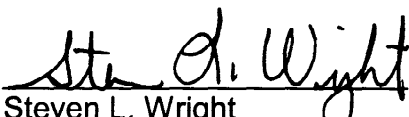
FISCAL IMPACT

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 \$50,743 reduces the total City Hall project contingency from \$7,378,975 to \$7,328,232.


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

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.	City Council Approved Changes 2/27/06	(234,507)	
8				
9	V.	City Council Approved Changes 4/24/06	(309,534)	
10				
11	VI.	Proposed Contract Adjustments 6/12/06 (tentative)		
12	A.	Proposed City Contracted Adjustments 6/12/06.	-	
13				
14	B.	Proposed General Contractor Adjustments 6/12/06 (Change Order #5).		
15	CCD 36	Demolition of concrete beams spanning between the brick pilasters at the 3rd floor arcade required to facilitate the removal of the brick pilasters and replacement with metal stud framing and exterior plaster to match existing.	(14,813)	Conflict between the original 1927 structural drawings and the "as- built" conditions.
16	CCD 79	Widen concrete opening S320A (3rd floor South) required for ADA access to the new break room.	(4,142)	Required by ADA.
17	CCD 81	Add 2 light fixtures, 1 in the entry vestibule and 1 in the roof ladder shaft at 3rd Floor South.	(2,186)	Safety lighting added for City maintenance.
18	CCD 83	2nd floor loggia roof cricket reframing required to accommodate water flow out of the corners due to the location of the new collector steel (6 locations).	(21,073)	Unforeseen field condition.
19	CCD 101	Demo CMU wall at the north wall of the elevator lobby N103 and re-frame with a metal stud wall and plaster to match adjacent finish.	(4,555)	Unforeseen field condition.
20	CCD 106	Additional cast stone repairs: additional lead joint caps at 1st and 3rd floor exterior balconies, mortar joint repairs and additional epoxy resin anchors at cartouches at the stair towers and misc. crack repairs and mortar repairs at the main entry and along the exterior elevations.	(70,906)	Unforeseen field condition -costs will be offset by construction allowances - no cost impact to project contingency.

CITY HALL SEISMIC RETROFIT PROJECT

Contingency Adjustments Detail

	A.	B.	C.	E.
		Description	Total	Comments
21	CCD 106	Additional cast stone repairs: Amount released from contract schedule of values (line item No. 000080) Exterior restoration allowance for contractor payment.	70,906	CCD 106 costs to be offset by contract allowance - no cost impact to project contingency.
22	CCD 123	Modify girder connection detail for elevator #3 at the 3rd floor due to existing steel conflicts.	(2,263)	Unforeseen field condition.
23	CCD 136	Additional framing outside stair towers #2 and #4, replace plaster wall in corridor #S235 and add a plaster soffit at room S107 due to existing field conditions.	(1,711)	Unforeseen field condition.
24		Total General Contractor Adjustment (Change Order #5)	(50,743)	
25				
26				
27	VII.	Ending Contingency Balance (6/12/06 tentative)	7,328,232	
28				