

Agenda Report

TO: CITY COUNCIL **DATE:** JANUARY 14, 2008
THROUGH: FINANCE COMMITTEE
FROM: CITY HALL RESTORATION OVERSIGHT COMMITTEE
SUBJECT: CITY HALL SEISMIC RETROFIT PROJECT—UPDATE

RECOMMENDATIONS

That the City Council sunset the City Hall Restoration Oversight Committee.

BACKGROUND

This report represents the progress update to the City Council for the period July 1, 2007, through December 31, 2007.

PROGRESS UPDATE

The Committee met on one occasion during the last two quarters of this year due to minimal construction activity and the re-occupancy of the building. At this meeting, the following topics were reviewed:

1. **Project Budget:** The overall project is within budget at this time, with the total project budget remaining at \$117,594,083.

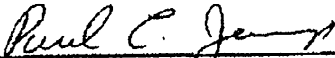
- A. **Project Contingency Deductions:** The City Hall Restoration Oversight Committee reviewed Change Order #13 in the amount of \$71,088 which is being recommended for approval by the City Council on January 14, 2008. The Committee concurred that the changes are reasonable and consistent with ongoing construction activities on similar projects. The recap of expended project contingency through December 2007 is as follows:

1) Beginning Project Contingency (1/31/05)	\$8,642,014
2) City Council Approved Contingency Adjustment	(5,750,523)
Project Contingency Balance (6/30/07)	\$2,891,491
3) Less Unfunded Project Budget	<u>(2,200,000)</u>
Revised Project Contingent Balance	\$691,491

- B. **Potential Budget Impacts:** The Committee is aware of only one outstanding delay claim which is related to the fire life safety system subcontractor. This item is currently being negotiated between City staff and Clark Construction. Once a final amount is agreed upon, the recommendation will be presented directly to City Council.
- C. **Unfunded portion of budget:** The approved project budget anticipated that \$6 million would be raised from grant and fund raising activities. The City previously secured a \$3 million grant through the Federal Emergency Management Agency's (FEMA) 2005 Pre-Disaster Mitigation (PDM) program. In addition, the California Cultural Heritage Endowment Board awarded the Pasadena City Hall project for grant funding in the amount of \$800,000. Receipt of the CCHE and FEMA awards totals \$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 complete, it is unlikely that the project will be eligible for further grant funding.
3. **Construction Status:** The general contractor proceeded ahead of schedule in all areas of construction and all construction activities are completed.
4. **Status of the Oversight Committee:** Considering the status of the project, the Committee took an action to recommend to the City Council that the Oversight Committee be sunseted. There are two outstanding issues that select committee members will continue to work on directly with staff. These items are the Interpretive Display that is required by FEMA and a comprehensive building maintenance plan. These items do not require the full committee's consideration.

We as a committee thank you for the opportunity to have served on such an important project as City Hall.

Respectfully submitted,


DR. PAUL JENNINGS, Chair
City Hall Restoration Oversight Committee