



## REPORT TO COUNCIL

### City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

CONSENT  
March 4, 2008

Honorable Mayor and  
Members of the City Council

**Title:** Change Order: Fulton Avenue Development Phase II (B18333005)

**Location/Council District:** Fulton Avenue & Business 80. (District 2)

**Recommendation:** Adopt a **Resolution** 1) authorizing the City Manager to execute Change Order Number One to Contract Number 2007-278 in the amount of \$380,872 with Marques Pipeline for the Fulton Avenue Development Phase II Construction (B18333205).

**Contact:** Dean Peckham, Senior Project Manager, (916) 808-7063; Jon Blank, Supervising Engineer, (916) 808-7914

**Presenters:** None

**Departments:** Economic Development and Transportation

**Division:** Citywide Economic Development & Engineering Services

**Organization Nos:** 4453 & 3434

#### Description/Analysis

**Issue:** The change order in the amount of \$380,872 is necessary to compensate the contractor for additional construction activities to be performed as part of the final phase of construction – the installation of dry utilities (SMUD, PG&E, AT&T & Comcast conduit systems) and the bore and jack of the gas line under Business 80 from Auburn Blvd to the Fulton Avenue Development site. The change order was not part of the original contract awarded in November 2007 (Reso #2007-792) because the City had not received the design requirements from the respective utilities.

**Policy Considerations:** The action requested herein is consistent with the Sacramento City Code, title 3 governing public bidding and contracting requirements and City of Sacramento Strategic Plan goals to expand economic development throughout the City.

**Environmental Considerations:** The City Council certified an Environmental

January 16, 2007.

**Rationale for Recommendation:** This change order in the amount of \$380,872 is necessary to compensate the contractor for additional construction activities not included in the initial contract award – the installation of dry utilities and the bore and jack of the gas line under Business 80.

City Council approval is necessary to move forward with approving the change order.

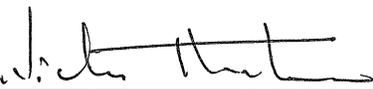
**Financial Considerations:** There is sufficient funding in the Fulton Avenue Development Project Budget (CIP#B18333005) to execute this change order.

**Emerging Small Business Development (ESBD):** The ESBD goal is 20%. To encourage small and emerging business participation, plans and specifications were sent to 18 plan rooms and construction service organizations for publication. All are directly involved with E/SBE construction firms. The project was also announced on the City's Project Internet site at [www.cityofsacramento.org/bids](http://www.cityofsacramento.org/bids). Marques Pipeline has an ESBD participation rate of fifty (50) percent.

Respectfully Submitted by:

  
James R. Rinehart

Citywide Economic Development Manager

  
Nicholas Theocharides  
Engineering Services Manager

Approved by:   
David Spaur  
Director of Economic Development

Recommendation Approved:

  
RAY KERRIDGE  
City Manager

**Table of Contents:**

	Report	Pg 1
<b>Attachments</b>		
<b>1</b>	Background	Pg 3
<b>2</b>	Location Map	Pg 6
<b>3</b>	Change Order	Pg 7
<b>4</b>	Resolution	Pg 9

## **Attachment 1**

### **Background Information:**

In 2002 the City Council directed staff to examine potential alternatives for the “highest and best” uses for the 21-acre Sacramento Trapshoot Club Site adjacent to Haggin Oaks Golf Course.

In 2004 Mel Raption Honda, currently located on Fulton Avenue, submitted a written request to the City to lease a portion of the existing property. An Exclusive Rights to Negotiate was executed on June 1, 2004, between the City and Mel Raption Honda.

On May 23, 2006, the City Council approved the Community Reinvestment Capital Improvements Program (Resolution # 2006-365) and directed that \$6.4 million for bridge loan funding be directed towards the remediation and development of the Fulton Avenue Development Project.

On January 16, 2007, the City Council certified an environmental impact report for the Fulton Avenue Development .

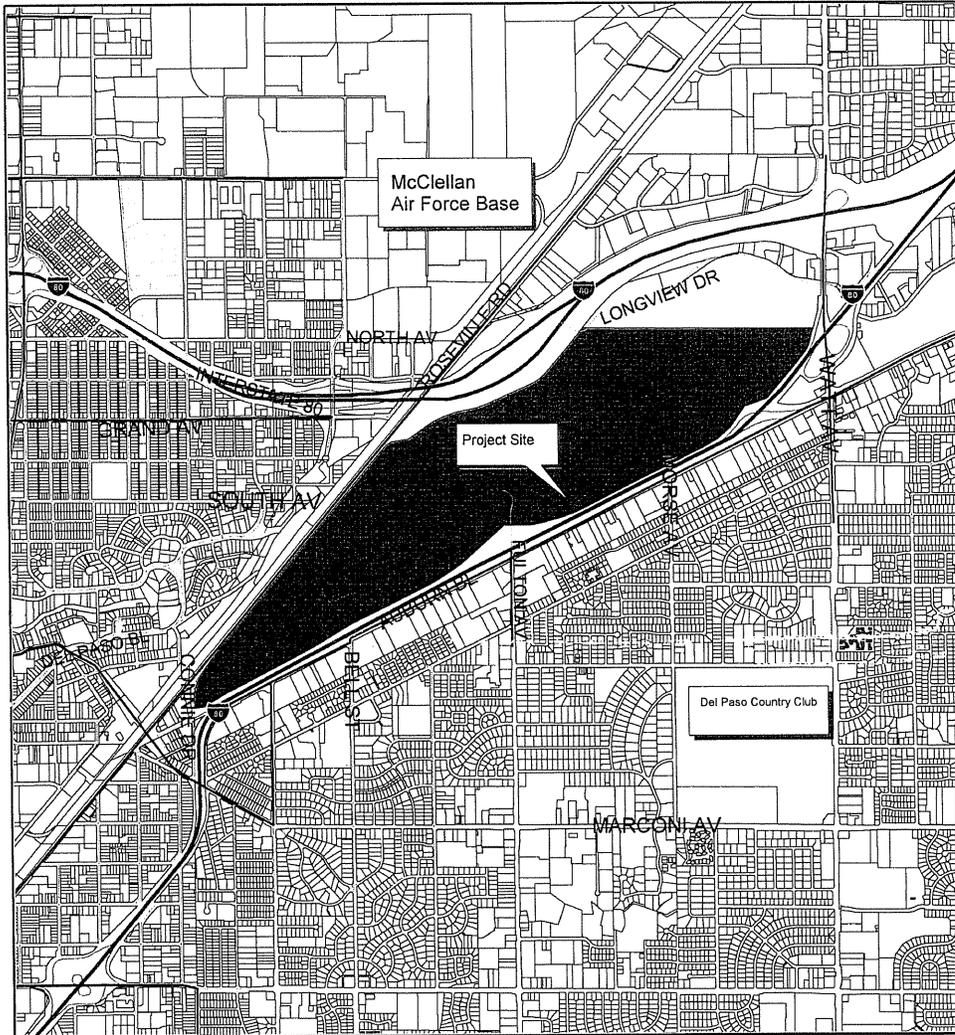
In May 2007 Teichert Construction was award the contract in the amount of \$3,455,048 for the site remediation and grading associated with the development of the 20 acre site. Work was completed in December 2007.

On June 5, 2007, the City Council approved the ground lease between the City and Raption Investment Group, LLC (Resolution 2007-341).

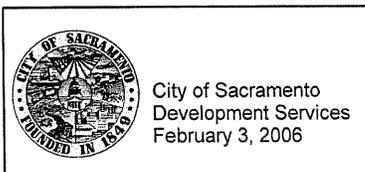
In November 2007 (Resolution 2007-792) Marques Pipeline was awarded the contract for the construction of the public infrastructure (Phase II).

Attachment 2

LOCATION MAP



0.1 0 0.10.20.30.4 Miles



Vicinity Map  
Fulton Avenue  
Development  
P06-012



City of Sacramento

CHANGE ORDER

Contract # & Date: 2007-278 - 11/6/2007 Budget #: 714-500-CB38-4820  
 Purchase Order #: 0000000865 Change Order No.: 1

Sacramento, California

FEBRUARY 11, 2008

TO: MARQUES PIPELINE, INC., Contractor

CONTRACT FOR: FULTON AVENUE PHASE 2

Upon Mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "City", and your firm, hereinafter referred to as "Contractor" in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

**Description:**

See Exhibit A

The original contract sum was	\$	<u>2,255,979.00</u>
Net change by previous Change Orders	\$	<u>0.00</u>
The contract sum prior to this Change Order was	\$	<u>2,255,979.00</u>
The contract sum will be increased by this Change Order	\$	<u>380,572.00</u>
New contract sum including all Change Orders	\$	<u>2,636,551.00</u>

Contractor agrees that the amount of increase or decrease in the contract sum specified in this change Order shall constitute full compensation for the work required by this Change Order, including but not limited to all compensation for the additional and/or revised work specified herein and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance of other work by Contractor. The time for the performance of the contract is increased by 25 calendar days by reason of the performance of the work required by this Change Order. Except as herein above expressly provided, Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the contract between the City and the Contractor for the project.

Approval Recommended by:

Approved as to Form By:

\_\_\_\_\_  
Project Manager

\_\_\_\_\_  
City Attorney

Approved By:

\_\_\_\_\_  
Contractor

Approved By:

Attested to By:

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Clerk

**EXHIBIT A**  
**FULTON AVENUE PHASE 2**  
**B18333205**  
 2/11/2008

Description	Amount
<b>Change Order # 1</b>	
<b>PCO # 1.0 Scope Change</b> <i>Dry Utility Installation to Facilitate the Fulton Avenue Development properties with Joint utility trench to include: SMUD, PG &amp; E, AT&amp;T, and Comcast conduit systems.</i>	183,800.00
<b>PCO # 2.0 Regulatory Agency Requirements</b> <i>16" Gas line Casing bore and jack underneath Business 80. This item is to separate the water and gas line bore to be bore from Auburn Blvd. to the Fulton Avenue Development Site. Work includes using the guided bore method for a 16" steel casing @ 267 LF, additional excavation and backfill of the larger bore pit, additional shoring to the bore pit, roadway restoration on Auburn Blvd., and additional settlement monitoring.</i>	197,072.00
2 Items <b>Total for Change Order # 1</b>	<b>\$380,872.00</b>

**Attachment 4**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**CHANGE ORDER: FULTON AVENUE DEVELOPMENT PHASE II (B18333005)**

**BACKGROUND**

- A. In 2002, the City Council directed staff to examine potential alternatives for the “highest and best” uses for the 21-acre Sacramento Trapshoot Club Site adjacent to Haggin Oaks Golf Course.
- B. In 2004, Mel Rapon Honda, currently located on Fulton Avenue, submitted a written request to the City to lease a portion of the existing property. An Exclusive Rights to Negotiate was executed on June 1, 2004, between the City and Mel Rapon Honda.
- C. On May 23, 2006, the City Council approved the Community Reinvestment Capital Improvements Program (Resolution # 2006-365) and directed that \$6.4 million for bridge loan funding be directed towards the remediation and development of the Fulton Avenue Development Project.
- D. On January 16, 2007, the City Council certified an environmental impact report for the Fulton Avenue Development.
- E. In May 2007, Teichert Construction was awarded the contract in the amount of \$3,455,048 for the site remediation and grading associated with the development of the 20 acre site. Work was completed in December 2007.
- F. On June 5, 2007, the City Council approved the ground lease between the City and Rapon Investment Group, LLC (Resolution 2007-341).
- G. In November 2007 (Resolution 2007-792) Marques Pipeline was awarded the contract for the construction of the public infrastructure (Phase II).

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager is authorized to execute the change order in the amount of \$380,872 with Marques for the Fulton Avenue Development Phase II Construction (CIP# B18333005).