



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

CONSENT

September 9, 2008

Honorable Mayor and  
Members of the City Council

**Title:** Oak Park Community Center - Phase II Project (L13000100)

**Location/Council District:** 3429 Martin Luther King, Jr. Boulevard, District 5

**Recommendation:** Adopt a **Resolution** approving revisions to the scope of work related to the construction of the project.

**Contact:** Suzy Vose, Construction Manager, 808-5640; Yadi Kavakebi, Facilities Superintendent, 808-8432; Dave Mitchell, Recreation Manager, Department of Parks & Recreation, 808-6076.

**Presenters:** Not applicable

**Departments:** General Services and Parks & Recreation

**Division:** Facilities & Real Property Management; Children and Family Services

**Organization No:** 13001541 and 19001641

**Description/Analysis:**

**Issue:** During the design phase of the Oak Park Community Center - Phase II project, commercial construction costs were rising at a rapid rate, as they had been doing consistently in the industry for the past several years. Due to these rising costs, the project team performed value engineering work to reduce the scope of the project to keep the project cost within the approved budget. However, by the time the Invitation for Bid was issued for the construction contract, economic and market conditions had changed to such a point that the low bid contract awarded was \$1,188,061 less than the construction estimate. These savings can now be used to fund the project components that were deleted through the value engineering work and allow the project to be delivered as originally intended.



The estimated cost of the project scope increase is \$500,000 and includes:

**Site Related Items:**

- New playground equipment (including installation), bark, inspection costs, benches, portable sound system, janitorial equipment, security cameras for the basketball court and playground, a trash enclosure, and parking lot improvements including Americans with Disabilities Act (ADA) upgrades.

**Building Related Items:**

- Acoustical wall panels, projection screen, scoreboard upgrade, interior furnishings, display cabinets for the lobby, and ash/trash/recycle bins.

Upon City Council approval of the scope increase, staff will follow City procurement guidelines and contracting requirements in completion of the increased scope. Staff will return to City Council for approval of change orders or purchase contracts as necessary.

**Policy Considerations:** This project is included in the 2006 Community Reinvestment Capital Improvement Program (CRCIP) approved by City Council on February 7, 2006. The revised scope of work is consistent with the directives and guidelines of the CRCIP.

**Committee/Commission Action:** Not applicable

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This report recommends revising the scope of work within a previously approved project. The recommendation involves a continuing administrative activity and is not a 'project' in accordance with Section 15378 (b) (2) of the California Environmental Quality Act Guidelines. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

**Sustainability Considerations:** This is a Leadership in Energy and Environmental Design (LEED) silver project and any new items procured will be evaluated by the project team based on their sustainability value.

**Rationale for Recommendation:** The savings realized from the construction bid can now be used to fund the project components that were deleted through the value engineering work and allow the project to be delivered as originally designed and be used by the community to its fullest extent.

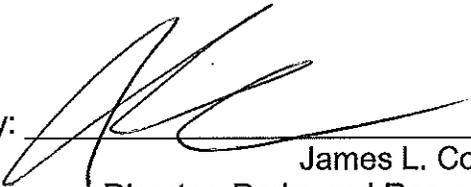
**Financial Considerations:** Sufficient funding is available in the Oak Park Community Center – Phase II Project (L13000100) to include the recommended project scope changes.

**Emerging Small Business Development (ESBD):** John F. Otto has an emerging/small business enterprise percentage total of 25.9% for the Oak Park Community Center - Phase II Project.

Respectfully Submitted by:   
Cynthia Kranc  
Facilities Manager, Department of General Services

Respectfully Submitted by:   
David Mitchell  
Recreation Manager, Department of Parks and Recreation

Approved by:   
Reina J. Schwartz  
Director, Department of General Services

Approved by:   
James L. Combs  
Director, Parks and Recreation

Recommendation Approved:

  
for Ray Kerridge  
City Manager

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**Attachment 1**

**BACKGROUND INFORMATION:**

The Oak Park Community Center - Phase II Project includes a multipurpose gymnasium, performance platform, rest rooms, office, storage, and two outdoor basketball courts for the community. The facility is located behind the existing Oak Park Community Center.

In fall 2003, City Council supported the preparation of the Proposition 40 Urban Parks Act program grant for the Oak Park Community Center - Phase II Project.

On March 29, 2005, City Council adopted Resolution No. 2005-190, accepting a \$3 million grant from the State Department of Parks and Recreation and establishing the Oak Park Community Center - Phase II Project capital improvement project.

On October 11, 2005, City Council adopted Resolution No. 2005-744 authorizing the City Manager to identify projects for a 2006 Community Reinvestment Capital Improvement Program (CRCIP) bond issuance. The approved 2006 CRCIP Bond included an appropriation of \$1 million for this project (Resolution 2006-367).

On January 10, 2006, City Council adopted Resolution No. 2006-024 appropriating \$400,000 in Park Development Impact Fees to the Oak Park Community Center - Phase II Project.

In March 2006, a contract was established with the Sacramento Housing and Redevelopment Agency (SHRA) committing \$1.6 million to the Oak Park Community Center - Phase II Project.

On March 25, 2008, City Council adopted Resolution No. 2008-176 approving the construction plans and specifications for the Oak Park Community Center – Phase II Project and awarding a construction contract to John F. Otto in an amount not to exceed \$2,444,222.

**RESOLUTION NO. 2008-XXXX**

Adopted by the Sacramento City Council

**September 9, 2008**

**APPROVING REVISIONS TO THE SCOPE OF WORK RELATED TO THE  
CONSTRUCTION OF THE OAK PARK COMMUNITY CENTER - PHASE II PROJECT  
(L13000100)**

**BACKGROUND**

- A. On January 28, 2008, the Department of General Services issued Invitation for Bid No. B083282015 for a construction contract for the Oak Park Community Center – Phase II Project. The construction cost was estimated to be \$3,632,283. Due to changing economic and market conditions the low bid was \$1,188,061 less than the construction estimate.
- B. On March 25, 2008, City Council adopted Resolution No. 2008-176 approving the construction plans and specifications for the Oak Park Community Center – Phase II Project and awarding a construction contract to John F. Otto in an amount not to exceed \$2,444,222, thereby creating a savings in the project budget.

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

- Section 1. The scope of work related to the construction of the Oak Park Community Center – Phase II Project is hereby revised to include the following site and building related items:

Site Related Items:

- o New playground equipment (including installation), bark, inspection costs, benches, portable sound system, janitorial equipment, security cameras for the basketball court and playground, a trash enclosure, and parking lot improvements including Americans with Disabilities Act (ADA) upgrades.

Building Related Items:

- o Acoustical wall panels, projection screen, scoreboard upgrade, interior furnishings, display cabinets for the lobby, and ash/trash/recycle bins.