



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

CONSENT

December 2, 2008

**Honorable Mayor and
Members of the City Council**

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

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

Recommendation: Adopt a **Resolution:** 1) authorizing the City Manager or the City Manager's designee to execute Change Order No. 3 to Contract No. 2008-069 with John F. Otto in an amount not to exceed \$192,263 bringing the total contract amount to \$2,761,270; and 2) resetting the City Manager's signature authority.

Contact: Suzy Vose, Construction Manager, 808-5640; Yadi Kavakebi, Facilities Superintendent, 808-8432;

Presenters: Not applicable

Departments: General Services

Division: Facilities & Real Property Management

Organization No: 13001541

Description/Analysis:

Issue: On March 25, 2008, City Council adopted Resolution No. 2008-176, approving the plans and specifications for the Oak Park Community Center Phase II project and awarding a construction contract for the project to John F. Otto in an amount not to exceed \$2,444,222. Unforeseen site conditions, additional utility requirements, and modifications to the mechanical and electrical systems requiring additional work beyond the scope of their contract, resulted in additional costs that have been incorporated into Change Order 1 in the amount of \$39,155 and Change Order 2 in the amount of \$85,630 which have been approved by the City Manager and were within his signature authority.

Due to project savings, on September 9, 2008, City Council adopted Resolution No. 2008-615 approving the additional scope of work estimated to be \$ 482,885 while keeping the established and approved budget and schedule intact. In the interest of construction schedule and budget savings, a portion of the additional project scope in the amount of \$103,508 is being recommended to be awarded to John F. Otto in the form of a Change Order. Change Order No. 3 in the amount

of \$192,263 reflects both portions of unforeseen conditions in the amount of \$88,755 as well as the additional scope of work in the amount of \$103,508.

Unforeseen items in Change Order No. 3 include site conditions, exterior finish improvements, and Heating Ventilating and Air Conditioning (HVAC) upgrades.

The additional scope of work in Change Order No. 3 includes changes to the plans to incorporate new playground equipment, scoreboard upgrades, construction of a trash enclosure, upgrades to the path of travel for Americans with Disabilities Act (ADA) compliance, a projection screen, and acoustic wall panels.

Policy Considerations: The recommendations in this report are consistent with: 1) the directives and guidelines of the 2006 Community Reinvestment Capital Improvement Program (CRCIP) approved by City Council on February 7, 2006; 2) City Code Section 3.60.210(C) requiring City Council approval for change orders in excess of eight percent of the contract price for contracts originally awarded for a value greater than or equal to \$1 million but less than \$10 million; and 3) City Code Section 3.60.210(G) restoring City Manager authority to issue additional change orders.

Committee/Commission Action: Not applicable

Environmental Considerations:

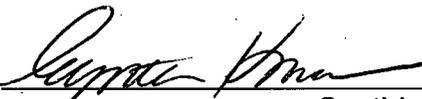
California Environmental Quality Act (CEQA): The current proposal involves a change order for a previously approved construction project. The proposal is not a 'project' in accordance with Section 15378 of the California Environmental Quality Act Guidelines. The proposal does not have a potential for resulting in either direct or indirect physical changes in the environment because the work covered by the Change Order involves modifications to previously approved mechanical and electrical systems for a community center. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

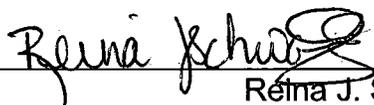
Sustainability Considerations: Not applicable

Rationale for Recommendation: Change Order No. 3 is necessary to address the added scope in John F. Otto's contract for the successful completion of the project within the approved project schedule.

Financial Considerations: Sufficient funding is available from the \$3 million Proposition 40 Urban Parks Act Program Grant in the Oak Park Community Center – Phase II Project (L13000100) to cover the costs for Change Orders 1, 2, and 3 and 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

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

Recommendation Approved:

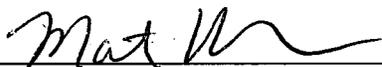

Ray Kerridge
City Manager

Table of Contents:

Report Pg 1

Attachments:

- | | | |
|---|------------------|------|
| 1 | Background | Pg 4 |
| 2 | Change Order Log | Pg 5 |
| 3 | Resolution | Pg 6 |

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 Proposition 40 Urban Parks Act Program Grant 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 October 31, 2006, City Council adopted Resolution No. 2006-793, accepting an architectural services proposal from the Dahlin Group and authorizing the City Manager or the City Manager's designee to execute a professional services agreement with the Dahlin Group for the Oak Park Community Center - Phase II Project. The Dahlin Group has prepared plans and specifications for the construction of the project, and these have been approved for construction by the City's Department of Development Services.

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.

On September 9, 2008, City Council adopted Resolution No. 2008-615 approving revisions to the scope of work related to the construction of the Oak Park Community Center Phase II project.

Attachment 2Change Order Log

Change Order No.	Amount	Scope of Work
1	\$39,155	Unforeseen site utility modifications (gas, domestic water, and storm drain) for relocation of the basketball courts to accommodate existing trees and grade, and to revise walks and irrigation to support it. Upgrade electrical and HVAC specifications to meet City standards and upgrade concrete footings per architect's supplemental instruction.
2	\$85,630	Modification to include CCTV for basketball and playground, for removal of unforeseen site utilities, for additional pull boxes and conduit required by SMUD, to relocate irrigation pipe and controls at playground, to provide trench and backfill required for PG&E service, for modifications to the drainage on east side of the building due to grading revisions.

RESOLUTION NO. 2008-XXXX

Adopted by the Sacramento City Council

December 2, 2008

**APPROVING CHANGE ORDER NO. 3 FOR THE CONSTRUCTION CONTRACT FOR
JOHN F. OTTO FOR 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.
- C. On September 9, 2008, City Council adopted Resolution No. 2008-615 approving the revised scope of work related to the construction of the Oak Park Community Center Phase II Project to include site and building related items that will allow the project to be delivered as originally intended.

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

- Section 1. The City Manager or the City Manager's designee is authorized to execute Change Order No. 3 with John F. Otto in an amount not to exceed \$192,263.
- Section 2. The City Manager's signature authority is hereby reset for this project pursuant to City Code Section 3.60.210(G).