



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
February 24, 2009

Honorable Mayor and
Members of the City Council

Title: Change Order: Pocket-Greenhaven Library Project (B13000500)

Location/Council District: 7335/7345 Gloria Drive, Council District 7

Recommendation: Adopt a **Resolution** authorizing the City Manager or the City Manager's designee to execute Change Order No. 1 to Contract No. 2008-223 with Regent Development, Inc. in an amount not to exceed \$300,000 for the Pocket-Greenhaven Library Project; and 2) resetting the City Manager's signature authority.

Contacts: Jeff Blanton, Associate Architect, 808-8423; Cynthia Kranc, Facilities Manager, 808-2258

Department: General Services

Division: Facilities and Real Property Management

Organization No: 13001541

Description/Analysis:

Issue: City staff, working with the Sacramento City Unified School District, Sacramento Public Library Authority, and the selected contractor, Regent Development Inc. developed and established a project budget for the Pocket-Greenhaven Library. The project will include a 15,000 square foot library branch, to be operated by the Library Authority for use by the students of the school and the community, an expanded park and playfield area, and significant off-street parking to accommodate the varied users.

After many value engineering exercises the project cost was reduced by \$956,328, but fell short in the amount of \$300,000. This additional \$300,000 will maintain program function, retain the building square footage, achieve a Leadership in Energy and Environmental Design (LEED) Silver rating, and maintain the architectural design of the Library.

Policy Considerations: This joint use project and partnership is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation and cultural facilities throughout the City. Further, this project and the associated recommendations are consistent with the 2005-2010 Parks and Recreation Master Plan policies including:

Policy 6.9: Partner with School Districts and other local agencies to maximize funding opportunities.

Policy 12.1: Actively pursue and formalize partnership agreements with a broad range of public and private entities, including but not limited to schools, for the purpose of building or improving facilities for maximum community use.

Further, the recommendations in this report are consistent with: 1) 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 2) City Code Section 3.60.210(G) restoring City Manager authority to issue additional change orders.

Committee/Commission Actions: The Parks and Recreation Commission reviewed and supported this joint use project on August 2, 2007.

Environmental Considerations:

California Environmental Quality Act (CEQA): The District was the lead agency in preparation of the Environmental Impact Report (EIR) for the School of Engineering and Sciences and Pocket-Greenhaven Library Joint Use Project. The analysis in the EIR was prepared in compliance with CEQA and the CEQA Guidelines. The document evaluated the construction and operation of a public school, public library, and joint-use school/city park. The EIR was ratified by Council on July 15, 2008.

Sustainability Considerations: This recommendation will continue the project as a LEED Silver project.

Rationale for Recommendation: On November 22, 2005, the City Council adopted Resolution No. 2005-846 which endorsed the development of this joint use project in conjunction with the District and the Library Authority on the specific parcels of land identified in that report.

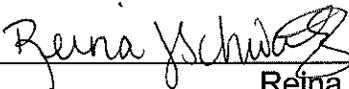
The District used a Request For Proposal (RFP) process to select the Regent Development, Inc. ("Regent") as the contractor; City staff also participated in that process. The City's contract with Regent has a guaranteed maximum price of \$9,832,532.

Change Order No. 1 will increase the Guaranteed Maximum Price (GMP) to \$10,132,532 and is necessary to maintain program function, retain the building square footage, achieve a LEED Silver rating, and maintain the architectural design of the Library.

Financial Considerations: The total projected costs to the City for construction and the City/Library direct costs were \$14.7 million. The recommended change order to the GMP will bring the total project cost to \$15 million which is the funded amount for this project.

Emerging Small Business Development (ESBD) Considerations: Regent Development, Inc. shall meet the City's 20% ESBD goal.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

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

Recommendation Approved:

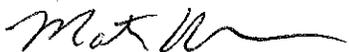

Ray Kerridge
City Manager

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RESOLUTION NO. 2009-XXXX

Adopted by the Sacramento City Council

February 24, 2009

APPROVING CHANGE ORDER NO. 1 FOR THE CONSTRUCTION CONTRACT WITH REGENT DEVELOPMENT, INC. IN AN AMOUNT NOT TO EXCEED \$300,000 FOR CONSTRUCTION OF THE POCKET-GREENHAVEN LIBRARY AND RELATED IMPROVEMENTS (B13000500)

BACKGROUND

- A. On November 22, 2005, the Mayor and City Council adopted a Resolution (Resolution No. 2005-846) endorsing the development of this joint use project in conjunction with the District and the Library Authority.
- B. On May 23, 2006, City Council authorized the issuance of approximately \$150 million in 2006 Capital Improvement Revenue Bonds (CIRBs), authorized funding for the Tier I Community Reinvestment Capital Improvement Program (CRCIP) projects, and adopted policy directives. The Pocket-Greenhaven Library project was approved as a Tier I project with an allocation of \$12.7 million from the 2006 CIRBs.
- C. On October 16, 2007, the Mayor and the City Council adopted Resolution No 2008-742 to identify the specific obligations of each party with respect to the design, environmental review, construction, project management, and payment for all construction and improvements associated with the School, Library, athletic fields, and parking lots.
- D. On July 15, 2008, the Environmental Impact Report prepared by the Sacramento City Unified School District (Lead Agency) was ratified; the City Council suspended competitive bidding, and the City Manager executed various agreements with the Sacramento Unified School District and Regent Construction regarding the joint use project consisting of the Pocket/Greenhaven Library, School of Engineering and Sciences, City Park and related improvements.

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. 1 with Regent Development, Inc. in an amount not to exceed \$300,000 for construction of the Pocket-Greenhaven Library and related improvements.

Section 2. The City Manager's signature authority is hereby reset for this project pursuant to City Code Section 3.60.210(G).