



REPORT TO COUNCIL

City of Sacramento

12

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

CONSENT
January 16, 2007

Honorable Mayor and
Members of the City Council

Title: Change Order No. 2: Ethel MacLeod (E.M.) Hart Multipurpose Senior Center (C195)

Location/Council District: 915 27th Street, Council District 3

Recommendation: Adopt a **Resolution:** 1) Approving Change Order No. 2 to Contract 2006-189 with PnP Construction, Inc., in the amount of \$52,832 for the E.M. Hart Multipurpose Senior Center, Modifications and Expansion Project (C195); and 2) authorizing the City Manager to execute Change Order No. 2 for the E.M. Hart Multipurpose Senior Center, Modifications and Expansion Project (C195) in the amount \$52,832 for the E.M. Hart Multipurpose Senior Center, Modifications and Expansion Project (C195).

Contact: David L. Morgan, Associate Architect, 808-8425; Brian Reilly, Interim Supervising Engineer, 808-8427

Presenters: Not Applicable

Department: General Services

Division: Facilities & Real Property Management

Organization No: 3282

Description/Analysis:

Issue: In order to mitigate loss of storage space resulting from Americans with Disabilities Act (ADA) and community center improvements at the E.M. Hart Multipurpose Senior Center, the E.M. Hart Trust Fund Advisory Committee voted to allocate \$52,832 in E.M. Hart Operating funds to complete a separate storage room and install additional cabinets in the "Date," "Spruce" and "Cypress" rooms of the center.

These improvements were planned as part of the original improvement project scope of work; however, funds were not available at the time of contract award for the proposed improvements. Identification of the additional funding allowed the existing contractor to complete the work on-site, during the course of the ADA project resulting in efficiency in the schedule and budget and reducing the impact to the facility and its operations. The project is now complete.

Staff is recommending that the City Council approve Change Order No. 2 in the amount of \$52,832 for the storage improvements. Change Order No. 2 is in excess of the parameters set forth in City Code 3.60.210 (B) and lies outside the City Manager's approval authority since it exceeds 10 percent of the original contract price.

Policy Considerations: This action is in conformance with City Code, Title 3, Chapter 3.602.210, which governs contract change orders. This report's recommendation is consistent with the City's Strategic Plan goals of improving and expanding public safety. The contractor was allowed to complete these improvements during the course of the project to prevent interruption of work which would have resulted in a substantial increase in the original scoped project cost.

Environmental Considerations: The project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

Rationale for Recommendation: Completion of the necessary ADA and community center improvements resulted in the elimination of two existing storage areas. While, mitigation of the loss of these storage areas was originally planned in the scope of work, funds were not available at the time of the award of the construction contract. Completing the work with the existing contractor on-site in coordination with the ADA work maximized efficiency in the schedule, budget and reduced the impact to the facility and its operations. Staff is therefore, recommending that the City Council approve Change Order No. 2, as these improvements have been completed within the available project budget.

Financial Considerations: The proposed storage improvements could not be completed at the time of the contract award, as there were insufficient funds to complete this aspect of the project. During project construction, the E.M. Hart Trust Fund Advisory Committee voted to allocate \$52,832 in E.M. Hart Operating funds (Fund 561) for the proposed storage improvements. This funding was transferred administratively to cover the costs of the recommended change order resulting in a total project budget of \$558,076. Adequate funds exist to cover the cost of this contract amendment.

Minority and Women's Business Enterprise (M/WBE): This project is subject to the Minority/Woman Business Enterprise (M/WBE) requirements under the U.S. Department of Housing and Urban Development, because the project is being funded with Community Development Block Grant (CDBG) funds. Contractors are required to conduct outreach to M/WBE firms as required by Federal Regulations 24 CFR 85.36 (e) and 24 CFR 84.44 (b). The contractor has demonstrated their efforts were reasonably designed to maximize the use of minority and women's business as outlined in the Sacramento Housing & Redevelopment Agency's guidelines found in Section 00840. The contractor has demonstrated Good Faith Efforts and qualifies under the guidelines set forth.

Respectfully Submitted by: Reina J. Schwartz
for Cynthia Kranc
Facilities Manager

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

Recommendation Approved:

for Mat Han
Ray Kerridge
City Manager

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BACKGROUND INFORMATION

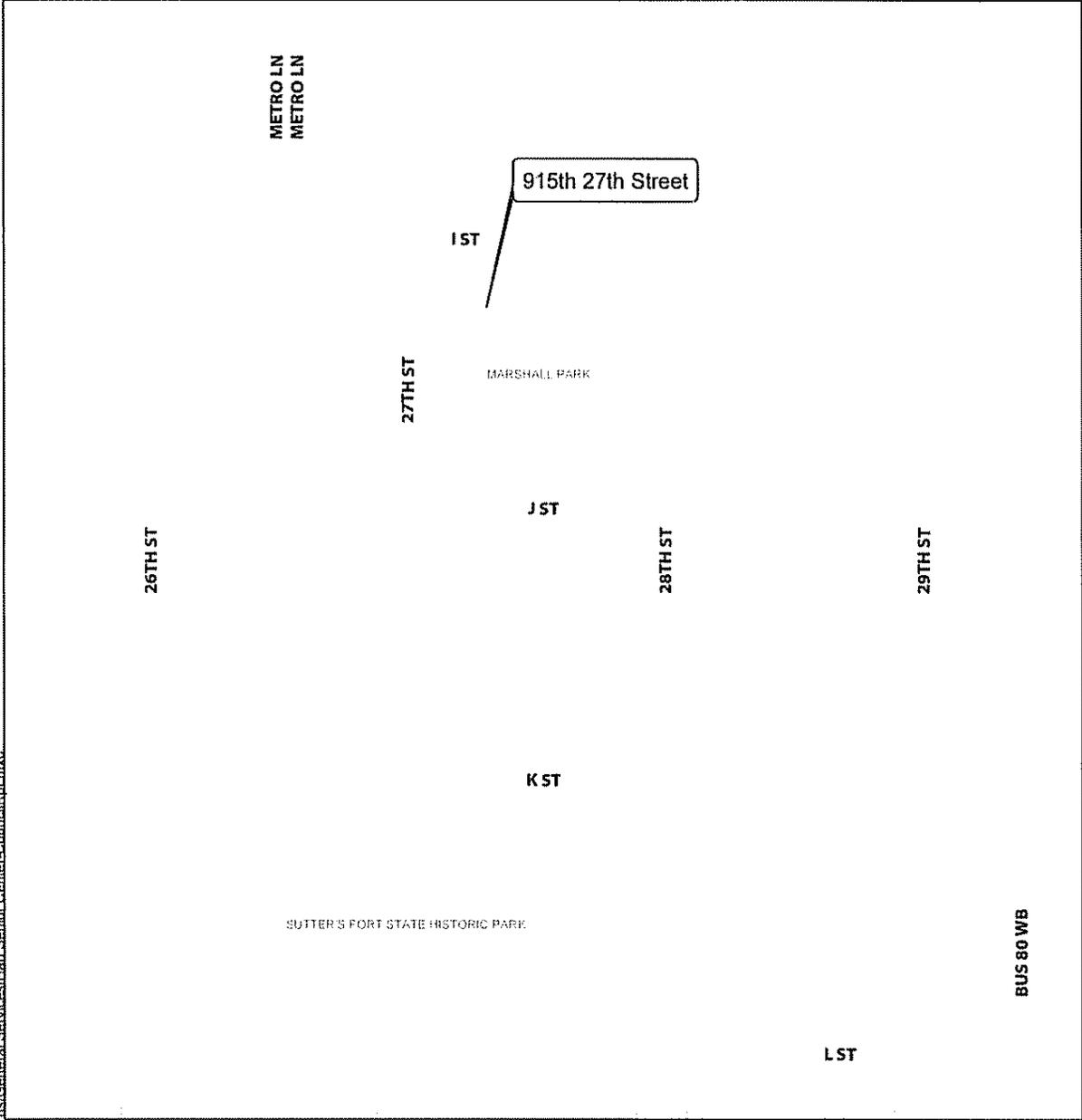
On February 28, 2006, the City Council approved the use of \$400,000 of Community Development Block Grant (CDBG) funds for Americans with Disabilities Act (ADA) and community center improvements to the E.M. Hart Center. On June 27, 2006, the City awarded a construction contract with PnP Construction, Inc. to deliver the project in the amount of \$292,741.

- Completion of the needed ADA and community center improvements required elimination of two existing storage areas.
- New storage and cabinet work were included in the original remodel and expansion scope of work, however funding was unavailable to complete these improvements at the time of the contract award.
- During construction the contractor encountered differing and unknown site conditions that required completion of additional work. The scope of additional work totaled \$23,059 (7.8 percent of the base contract). Change Order No. 1 was approved within the City Manager's change order authority.
- In order to mitigate a net loss of storage space and accommodate operational needs, the E.M. Hart Trust Fund Advisory Committee voted to allocate \$52,832 to fund the completion of a separate storage room and installation of additional cabinet work in the "Date," "Spruce" and "Cypress" rooms.
- Identification of the additional funding allowed the existing contractor to complete the work on-site, during the course of the ADA project resulting in efficiency in the schedule and budget and reducing the impact to the facility and its operations. The project is now complete.
- The contractor was allowed to complete these improvements during the course of the project to prevent interruption of work which would have resulted in a substantial increase in the original scoped project cost.

Staff is recommending that the City Council approve Change Order No. 2 in the amount of \$52,832 for the storage improvements, now that funding has been identified and secured. Change Order No. 2 is in excess of the parameters set forth in City Code 3.60.210 (B) and lies outside the City Manager's approval authority since it exceeds 10 percent of the original contract price.

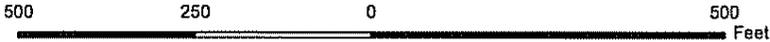


Location Map for
**ETHEL MACLEOD HART
MULTIPURPOSE SENIOR CENTER**



fs:/General Services/Hart_Senior_Center/Council/Epl.mxd

City of Sacramento/IT/Central GIS Unit
Date: May 2006
D.Wilcox



City of Sacramento

CHANGE ORDER

Contract # & Date:
Purchase Order #:

Budget #:
Change Order No.: 02

Sacramento, California
September 20, 2006

TO: PnP Construction, Inc., Contractor

CONTRACT FOR: Ethel Macleod Hart Multi-Purpose Senior Center Remodel & Addition

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 attached Exhibit 'A'

The original contract sum was	<u>\$292,741</u>
Net change by previous Change Orders	<u>\$ 23,059</u>
The contract sum prior to this Change Order was	<u>\$315,800</u>
The contract sum will be (increased) by this Change Order	<u>\$ 52,832</u>
New contract sum including all Change Orders	<u>\$368,632</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 performance of the contract will be changed by: 7 calendar days (remain unchanged) 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 Contractor for the project.

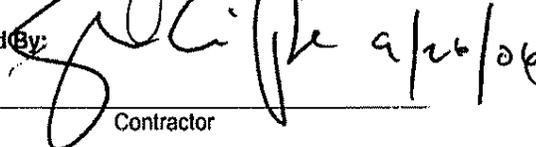
Approval Recommended By:

 9/26/06
Project Manager

Approved As To Form By:

City Attorney

Approved By:

 9/26/06
Contractor

Approved By:

City of Sacramento

Attested By:

City Clerk

City of Sacramento
Ethel MacLeod Hart Multi-Purpose Senior Center Remodel and Addition
CHANGE ORDER #02
EXHIBIT 'A'

PCO No.	Description	Value
03	Additional Cabinets	\$20,132
05	Storage Room Addition	\$32,700
TOTAL:		\$52,832

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

January 16, 2007

APPROVING CHANGE ORDER NO. 2 TO CONTRACT NO. 2006-189 WITH PNP CONSTRUCTION, INC., IN THE AMOUNT OF \$52,832 FOR THE ETHEL MACLEOD HARD (E.M.) HART MULTIPURPOSE SENIOR CENTER, MODIFICATIONS AND EXPANSION PROJECT (C195)

BACKGROUND

- A. On June 30, 2006, the City awarded a construction contract with PnP Construction, Inc. to deliver the project in the amount of \$292,741.
- B. The Director of General Services authorized Change Order No. 1 to PnP Construction, Inc. on October 4, 2006, for \$23,059 to address multiple unknown and differing site conditions necessary to complete the work.
- C. Completion of the needed Americans with Disabilities Act (ADA) and community center improvements required elimination of two existing storage areas.
- D. In order to mitigate a net loss of storage space and accommodate operational needs, the E.M. Hart Trust Fund Advisory Committee voted to allocate \$52,832 to fund the completion of a separate storage room and installation of additional cabinet work in the "Date," "Spruce" and "Cypress" rooms. Funding was transferred administratively from the E.M. Hart Trust Fund (561) to the project.
- E. Identification of the additional funding allowed the existing contractor to complete the work on-site, during the course of the ADA project resulting in efficiency in the schedule, budget and reducing the impact to the facility and its operations. The project is now complete.

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

- Section 1. Change Order No. 2 to Contract No. 2006-189 with PnP Construction, Inc., in the amount of \$52,832 for the E.M. Hart Multipurpose Senior Center, Modifications and Expansion Project (C195) is approved.
- Section 2. The City Manager is authorized to execute Change Order No. 2 for the E.M. Hart Multipurpose Senior Center, Modifications and Expansion Project (C195) in the amount \$52,832.