



REPORT TO COUNCIL

City of Sacramento

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

CONSENT
 December 18, 2007

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

Title: Agreements: Crocker Art Museum Expansion and Renovation Project (CF60)

Location/Council District: 216 O Street, Council District 1

Recommendation: Adopt a **Resolution:** 1) authorizing the City Manager or the City Manager's designee to execute professional services agreements for construction testing services for the Crocker Art Museum Expansion and Renovation Project (the "Project") with: a) Wallace Kuhl & Associates in an amount not to exceed \$121,600; and b) Consolidated Engineering Laboratories in an amount not to exceed \$243,330.

Contact: Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not Applicable

Departments: Department of General Services

Division: Facilities & Real Property Management

Organization No: 3289

Description/Analysis:

Issue: On December 4, 2007, the City Council adopted Resolution No. 2007-884 approving the Project budget and Resolution No. 2007-885 approving the guaranteed maximum price (GMP) and awarding the Construction Phase Amendment for the Project.

Staff informed the City Council that it would return in December 2007 for approval of professional services agreements for construction testing services.

Policy Considerations: The recommended actions are consistent with the previous City Council actions and approvals for the Project, summarized in the Background Information included in Attachment 1.

Committee/Commission Action: Not Applicable

Environmental Considerations: The City Council certified the Environmental Impact Report, approved the Mitigation Monitoring Plan, and adopted the

Findings of Fact and Statement of Overriding Considerations for the Project on October 25, 2005. On October 22, 2006, the City Council approved an Addendum to the Environmental Impact Report for the demolition of the Herold Wing.

Rationale for Recommendation:

Construction testing services for work such as pile driving, soil compaction, reinforcing steel, welding and high strength connections are required in order to monitor compliance of the work with the construction documents and geotechnical engineering report for the Project. It is in the City's best interest to manage the consultant services as third party observers to assure construction compliance, rather than including these services as part of the GMP, which is managed by Rudolph & Sletten, Inc., the City's contractor for the Project.

Wallace Kuhl & Associates was hired by CAMA as the geotechnical engineer of record for the Project, pursuant to CAMA's authority under the Memorandum of Understanding (the "MOU") (Agreement 2002-799) between the City and CAMA. This report requests approval to continue their services under contract to the City during the Project construction phase.

Through the recent GMP sub-bidding process conducted by Rudolph & Sletten, Inc., Consolidated Engineering Laboratories was selected to perform testing of reinforcing steel, metal decking and structural steel connections and welding for the Project. This report recommends that the City contract for this work, rather than including it as part of the GMP, to maintain independent oversight.

Financial Considerations: On December 4, 2007, City Council adopted Resolution No. 2007-884 approving the Project budget in the amount of \$84 million. The approved budget includes sufficient funding for the recommended construction testing, and archeological services.

Emerging Small Business Development (ESBD): Due to the extensive and highly specialized scopes of many of the Project subcontracts, the City Office of Small Business (OSB) waived Emerging and Small Business Enterprise (ESBE) requirements for the Project. However, Rudolph & Sletten, Inc., in conjunction with OSB staff, conducted an extensive outreach to local chambers of commerce and the small business community in an effort to include emerging/small business participation in the Project. The percentage attained for the overall Project is approximately 8%, which is roughly \$6 million. For FY2006/07, the Department of General Services achieved an ESBD percentage of 62%.

Respectfully Submitted by: 

Cynthia Kranc
Facilities Manager

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

Recommendation Approved:

don Mat M
Ray Kerridge
City Manager

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Attachment 1**BACKGROUND:**

In October 2000, the Crocker Art Museum Association (CAMA) presented a proposed process and timeline for a Master Plan development for the Crocker Art Museum to the City Council. Since that time, the City and CAMA have been working together on the preconstruction phases of the Crocker Art Museum Expansion and Renovation Project (the "Project"). Currently, off-site improvements are under construction along with demolition and site activities. State-funded Prop 40 improvements to the existing Museum were completed September 1, 2007. Additional Project milestones that have occurred include:

On December 3, 2002:

- The City Council adopted Resolution No. 2002-799 authorizing execution of a Memorandum of Understanding (the "MOU") between the City and CAMA that outlined the roles and responsibilities of the City and CAMA throughout the preconstruction and construction phases of the Project, and authorizing CAMA to release a Request for Qualifications (RFQ)/Request for Proposals (RFP) for the selection of a Construction Manager/General Contractor (CM/GC) for the Project. A panel comprised of CAMA and City representatives unanimously selected Rudolph & Sletten, Inc. as the Construction Manager for the Project through a competitive, qualification-based selection process.

On March 11, 2003:

- The City Council adopted Resolution No. 2003-117, suspending competitive bidding for the construction of the Project, as it is permitted to do under Section 3.60.170D of the Sacramento City Code, which allows competitive bidding to be suspended if the City Council determines, on a 2/3 vote, that it is in the best interests of the City to do so.

On November 4, 2004:

- The City Council adopted Resolution No. 2004-854 authorizing CAMA to proceed with the design development phase.

On December 7, 2004:

- The City Council adopted Resolution No. 2004-919 approving the Crocker Art Museum Business Plan and recognizing increased annual General Fund costs in an amount of \$541,000 beginning in FY2008.

On October 25, 2005:

- The City Council adopted Resolution No. 2005-780 certifying the Environmental Impact Report, approving the Mitigation Monitoring Plan, and adopting the Findings of Fact and Statement of Overriding Conditions and Resolution No. 2005-781 approving the design of the Project. Staff updated the City Council on the status of

the CAMA Capital Project Phase 2.

On February 7, 2006:

- The City Council adopted Resolution No. 2006-104 approving the Community Reinvestment Capital Improvement Program (CRCIP) project list, which included the Crocker Art Museum Expansion and Renovation Project.

On December 6, 2005:

- The City Council adopted Resolution No. 2005-876 approving the vacation and realignment of 2nd Street.

On April 18, 2006:

- The City Council approved the final Tier I and Tier II project list and bridge financing which included a \$2 million dollar CRCIP contribution, \$8 million from Sacramento Housing and Redevelopment Agency bond funds and a \$12 million bridge loan for the Project.

On August 22, 2006:

- The City Council adopted Resolution No. 2006-623 approving an Addendum to the Final Environmental Impact Report for the Project approving the demolition of the Herold Wing and design of a replacement structure.

On March 20, 2007:

- The City Council adopted Resolution No. 2007-162 authorizing the City Manager to execute a construction contract with Rudolph & Sletten, Inc. for public improvements to the existing Museum, funded by the State of California under the California Cultural and Historical Endowment (CCHE) Grant and authorizing CAMA to execute an agreement with Rudolph & Sletten, Inc. for construction management services for the Project. CAMA's use of Rudolph & Sletten, Inc. prior to that time was in accordance with the City Manager's authority.

On May 29, 2007:

- The City Council adopted Resolution No. 2007-320 authorizing the City Manager to execute a construction contract with Rudolph & Sletten, Inc. in an amount not to exceed \$3.34 million for the off-site and site improvements for the Project, in anticipation of the Project construction in winter 2007.

On June 5, 2007:

- The City Council adopted Resolution No. 2007-362 approving the First Amendment to the MOU, outlining the construction protocol between the City and CAMA and approving the CAMA Business Plan, Capital Project Phase 2.
- CAMA reported on the overall success of the fundraising campaign. The City Council approved the naming of the new wing of the Project as "The Teel Pavilion" in honor of the Teel family, a campaign leader and major donor.

- The City Council authorized Rudolph & Sletten, Inc., the approved Construction Manager for the Project, to solicit bids from prospective subcontractors for the construction phase of the Project.

On September 4, 2007:

- The City Council adopted No. Resolution 2007-652 authorizing staff to develop an alternate construction funding strategy for the Project and directing staff to return to Council in advance of the award of the guaranteed maximum price with a contract for: a) detailing, fabrication and installation of steel; b) disconnecting the fire alarm system in the Herold wing; c) rerouting water pipes; d) demolishing the Herold Wing; and e) site de-watering to prepare for construction of a basement.

On September 25, 2007:

- The City Council adopted Resolution No. 2007-704 authorizing the City Manager to execute a contract for construction activities with Rudolph & Sletten, Inc., the approved Construction Manager for the Project, for: detailing, fabrication and installation of steel; b) disconnecting the fire alarm system in the Herold wing; c) rerouting water pipes; d) demolishing the Herold Wing; and e) site de-watering to prepare for construction of a basement.

On December 4, 2007:

- The City Council adopted Resolution No. 2007-884 approving the Project budget; directing staff to implement the construction-funding strategy for the Project; authorizing the City Manager to execute the Second Amendment to the Memorandum of Understanding ("Second Amendment") between the City and the Crocker Art Museum Association ("CAMA"), City Agreement number 2002-0215; authorizing the City Manager to execute loan and security agreements with CAMA related to a \$12 million Community Reinvestment Capital Improvement Program ("CRCIP") bond proceeds loan for the construction of the Project; appropriating \$100,000 from City Facilities Deferred Maintenance Capital Improvement Project (CE21) for the Project; and authorizing the City Manager to recognize cash contributions deposited into the Crocker Construction Fund (Fund 717) received from the Crocker Art Museum Association (CAMA) and adjust the Project budget for these contributions.
- The City Council adopted Resolution No. 2007-885 approving the guaranteed maximum price (GMP) for the Project in an amount not to exceed \$74,489,026; authorizing the City Manager and CAMA to execute the Construction Phase Amendment with the Construction Manager, Rudolph & Sletten, Inc., in an amount not-to-exceed the GMP; for this Project, increasing the maximum amount for change orders that may be approved by the City Manager, or the City Manager's designee, from \$100,000 to \$250,000; and authorizing the City Manager to execute an assignment of CAMA's agreement with the Project Archeologist from CAMA to City.

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

December 18, 2007

**AUTHORIZING PROFESSIONAL SERVICES AGREEMENTS WITH WALLACE
KUHL & ASSOCIATES INC. AND CONSOLIDATED ENGINEERING
LABORATORIES FOR CONSTRUCTION TESTING SERVICES FOR THE CROCKER
ART MUSEUM EXPANSION AND RENOVATION PROJECT**

- A. On December 3, 2002, the City Council approved a Memorandum of Understanding (the "MOU") that outlined the roles and responsibilities of the City of Sacramento and the Crocker Art Museum Association ("CAMA") throughout the preconstruction and construction phases of the Crocker Art Museum Expansion and Renovation Project (the "Project").
- B. In the MOU, CAMA was authorized to hire consultants to perform preconstruction services for the Project. CAMA entered into a consultant agreement with Wallace Kuhl & Associates to prepare the geotechnical report for the Project, as the geotechnical engineer of record for the Project. A new contract with the City will continue their services during the Project construction phase.
- C. Rudolph & Sletten, Inc., as Construction Manager for the Project, solicited bids for construction-testing services, and selected Consolidated Engineering Laboratories to provide these services. Approving a City contract for this work, rather than including it as part of the Construction Manager contract, will better maintain independent oversight.
- D. On December 4, 2007, the City Council approved the Project budget for the Crocker Art Museum Expansion and Renovation Project in an amount of \$84 million, which includes the fees for services to be provided by Wallace Kuhl & Associates Inc., and Consolidated Engineering Laboratories.

**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 a professional services agreement with Wallace Kuhl & Associates Inc. in an amount not to exceed \$121,600 for geotechnical testing of earthwork and pile driving for the Crocker Art Museum Expansion and Renovation Project.

Section 2. The City Manager or the City Manager's designee is authorized to execute a professional services agreement with Consolidated Engineering Laboratories in an amount not to exceed \$243,330 for testing of reinforcing and structural steel welding and connections for the Crocker Art Museum Expansion and Renovation Project.