



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen  
William F. Sherry

**SUBJECT:** SEE BELOW

**DATE:** 04-07-08

Approved

Date

4/11/08

**COUNCIL DISTRICT:** Citywide

**SUBJECT: NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT NORTH CONCOURSE BUILDING FOUNDATION AND UTILITY TUNNEL CONCRETE (PACKAGE 02A) CONTRACT CHANGE ORDER #14**

## RECOMMENDATION

Approval of Contract Change Order (CCO) # 14 for the Norman Y. Mineta San José International Airport North Concourse Building Foundation and Utility Tunnel Concrete, Package 02A with Gonsalves & Santucci, Inc. dba Conco to use savings from the total base bid reductions under previously approved change order numbers 5, 8 and 9 to pay for the cost of additional work necessary to complete the project in the total amount of \$166,114, at no increase in the total contract amount.

## OUTCOME

Approval of this CCO allows the City to pay Conco for the following necessary items: 1) waterproofing re-sequencing work, 2) lime treatment, 3) apron level wall and slab on grade conflicting details, and 4) pipe casing waterproofing. The funds to accomplish the work scope to be performed under this change order are within the current appropriated contract amount. There will be no additional funds appropriated nor will there be any extension to completion time.

## BACKGROUND

On April 11, 2006, the City Council approved the award of the subject construction contract to Conco in the amount of \$15,512,812. The project scope for Package 02A includes the construction and delivery of the Airport North Concourse Foundation and Utility Tunnel. The North Concourse is being constructed as part of the Airport Master Plan. Facilities in the North Concourse will include holdrooms and gates with jet bridges. The project totals 380,000 square feet of space with nine new commercial aircraft gates.

The North Concourse Project is being constructed utilizing separate construction packages. This method of project delivery is commonly referred to as Multi-Prime contracting. Packages 1 and 2, "Site Preparation and Excavation" and "Foundation Piles," respectively, have been completed. The scope of Package 02A, "Foundations and Utility Tunnel Concrete," encompasses construction of the foundation and utility tunnel concrete including waterproofing. This work has also been completed. Package 02C, "Structural Steel," encompasses the fabrication and erection of structural steel and metal decking and is complete. Currently underway is Package 4, "General Building," which encompasses the construction of the exterior envelope, including the curtainwalls, glazed roofing, underground utilities, mechanical, electrical and related systems.

### **ANALYSIS**

The restructuring of this project required additional work to be completed within this construction package: 1) waterproof re-sequencing work, 2) lime treatment, 3) apron level wall and slab on grade conflicting details, and 4) pipe casing waterproofing. This work can be accomplished within the total award amount, plus contingency, previously awarded by Council.

The cost of this change order is offset by savings already realized within the base bid. Contract Change Orders #5, 8, and 9 reduced allowances that were not utilized, and staff is therefore proposing to use the savings from those change orders to fund the additional work at no increase in the total contract amount. Staff has reviewed the pricing and agrees with the cost.

This contract change order adds zero days to the contract time, and the project remains on target to complete in August 2008.

### **EVALUATION AND FOLLOW-UP**

No additional follow up action with the Council is expected at this time.

### **POLICY ALTERNATIVES**

Not applicable.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or

a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

The criteria identified by the Sunshine Reforms Work Plan do not apply to this change order recommendation. This memorandum will be posted on the City’s website for the April 29, 2008 Council agenda.

**COORDINATION**

This change order and memorandum have been coordinated with the Department of Planning, Building and Code Enforcement, the City Manager’s Budget Office and the City Attorney’s Office.

**FISCAL/POLICY ALIGNMENT**

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

**COST /IMPLICATIONS**

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT	\$ 166,114
	Project Delivery	\$ 5,810,000
	Construction	15,918,037
	Change Order Nos. 1-13	1,540,826
	Contingency Balance	11,174
	TOTAL	<u>\$23,280,037</u>

Base Bid Reduction Applicable to Change Order Nos. 5, 8, 9 (208,071)

Note: These reductions offset the Amount of Recommendation

2. COST ELEMENTS OF CONTRACT CHANGE ORDER:

1) waterproof re-sequencing work- \$12,300, 2) lime treatment- \$136,063, 3) apron level wall and slab on grade conflicting details- \$12,100, and 4) pipe casing waterproofing- \$5,610

3. SOURCE OF FUNDING: 526 – Airport Revenue Bond Improvement Fund

4. OPERATING COSTS: Review of the project determined no significant adverse impact on the General Fund Operating Budget.

HONORABLE MAYOR AND CITY COUNCIL

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Building Foundation and Utility Tunnel Concrete (Package 02A) Contract Change Order #14**

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**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract Change Order	2007-08 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
526	4657	North Concourse Building	\$32,044,000	\$166,114	V-995	02/12/08 28241
		<b>Total</b>	<b>\$32,044,000</b>	<b>\$166,114</b>		

**CEQA**

CEQA: Resolution Nos. 67380 and 71451, PP 08-044.



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Director of Aviation  
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