



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Albert Balagso
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: 04-14-08

Approved

Date

4/21/08

COUNCIL DISTRICT: 3

SUBJECT: APPROVAL OF A FIRST AMENDMENT TO THE MASTER AGREEMENT WITH ARCH PAC AQUATICS, AN INCREASE IN PROJECT DELIVERY COSTS AND CONTINGENCY, AND ADOPTION OF APPROPRIATION AMENDMENTS IN THE SUBDIVISION PARK TRUST FUND FOR THE RYLAND POOL REHABILITATION PROJECT

RECOMMENDATION

- a. Approval of a first amendment to the master agreement with Arch Pac Aquatics for consultant services increasing the compensation by \$20,000, raising the maximum allowed compensation from \$100,000 to \$120,000.
- b. Approval of an increase in the construction contingency funding for the Ryland Pool Rehabilitation Project in the amount of \$95,000, increasing the total contingency from \$134,716 to \$229,716.
- c. Approval of an increase of project delivery funds in the amount of \$10,000 increasing the total project delivery allocation from \$375,000 to \$385,000.
- d. Adoption of the following Appropriation Ordinance amendments in the Subdivision Park Trust Fund (Fund 375):
 - 1. Increase the appropriation to the Parks, Recreation and Neighborhood Services Department in the amount \$125,000 for the Ryland Pool Repairs; and
 - 2. Decrease the Reserve: Ryland Pool by \$125,000.

OUTCOME

Council approval of the recommended project increases will provide the additional resources to support the completion of the Ryland Pool Rehabilitation project for the 2008 summer swim season.

EXECUTIVE SUMMARY

City staff recommends approval of an increase in the existing contingency budget of 15 percent by approximately 11 percent of the construction contract, in the amount of \$95,000. The first change order, to repair the cracked pool slab, utilized 55% of the Council authorized contingency budget for the project with much of the construction remaining to be completed with the reduced contingency budget. A Council action is requested to increase the project contingency in the amount of \$95,000 for a total contingency of \$229,716.

City staff recommends approval of an increase in the maximum allowed compensation of the Master Agreement from \$100,000 to \$120,000 for additional design and technical support related to unanticipated additional construction work.

City staff recommends approval of an increase in the funds for project delivery an amount of \$10,000, which is ten percent of the additional contingency funds of this proposal. This recommendation recognizes the additional support work related to the additional construction work.

BACKGROUND

The Ryland swimming pool was constructed in 1926-1927 and is located at Ryland Park between North 1st and North San Pedro Streets (map attached). The Historic Landmarks Commission listed the swimming pool structure on the San José Historic Resource Inventory as a Candidate City Landmark on October 3, 2007.

In July 2007, the City contracted with Arch Pac Aquatics, a pool design consultant, to complete the construction documents for the remodel of the pool. Council awarded a construction contract for the Ryland Pool Rehabilitation project to Pool Time USA, in the amount of \$898,108 plus a contingency amount of \$134,716 at the December 18, 2007 Council meeting. This project is under construction and will rehabilitate the pool to meet the latest Santa Clara County health and safety codes and requirements of the Americans with Disabilities Act. City staff has worked closely with the community to coordinate the project development/design process by way of monthly meetings with the neighborhood's Capital Project Advisory Committee (CPAC). The project is approximately 60% complete and to date approximately 55% of the contingency has been committed.

ANALYSIS

Early in the demolition stage of the project the contractor discovered that the existing pool slab had extensive cracks which would require some form of repair or covering in order for the pool to be water-tight. The method that offered a durable long-term fix within the scheduled commitments for re-opening the pool was to pour a topping slab over the existing slab. The

Director of Public Works authorized that work be added to the contract by way of Contract Change Order No. 1 at a cost of \$74,480.

The Ryland Community Project Advisory Committee (CPAC) identified a need to renovate the historic Batchelder tiles. The historic evaluation of the pool that was prepared for the CEQA clearance for the project and the Landmarks Commission have noted that the decorative tiles on the face of the pool wall are of historic value. The Landmarks Commission members expressed a strong interest in preserving the historic appearance of the pool along with enhancing the character of the pool environment. Through monthly coordination meetings, the Commission and the Ryland Pool CPAC collaborated to achieve that objective by preparing the design for a custom-made unifying frame for pool safety/warning signs, making efforts towards restoration of the historic Batchelder tiles, and focused on the character of the decking hand rails. While the restoration of historic tiles and attention to the historic character of the pool surroundings is outside of the original direction to staff to make the pool operable for the 2008 summer swim season, careful study of the Batchelder tiles and providing accurate methodology for their restoration can easily be accomplished during the timeframe of the construction contract. Staff anticipates that the design additions requested by the CPAC and other changes anticipated from the Santa Clara County Health Department will require additional design and construction funds. The City of San José will identify the cost and the process for tile renovation. The actual tile renovation is unfunded, but a priority for the CPAC. A funding strategy will be evaluated once the tiles have been analyzed and projected costs are known.

Consistent with Council Policy regarding the appropriate contingency for rehabilitation and retrofit construction projects, the City Council approved a 15% contingency for the Ryland Pool Rehabilitation project. Given that the first change order to repair the cracked pool slab utilized 55% of the Council-authorized contingency budget for the project, therefore, much of the construction remains to be completed with the reduced contingency budget. Staff proposes that an increase in the contingency budget by approximately 11% of the construction contract (\$95,000), would provide sufficient funds for the balance of the project and also provides for the additional design work required to restore the historic Batchelder tiles. This memorandum includes a recommendation to increase the project contingency by \$95,000, bringing the total contingency to \$229,716.

The existing funding under the 'Master Agreement for Consulting Services for Ryland Pool' is not sufficient to provide for additional design and technical support services related to the cracks in the existing pool slab and issues related to the historic attributes of the pool. Therefore, this memorandum includes a recommendation to increase the maximum allowed compensation of the Master Agreement by \$20,000, bringing the total to \$120,000. This will ensure that the consultant will be available to respond to construction contingencies and additions as construction progresses.

Included with this proposal are additional funds for project delivery for project management and construction inspection. Staff proposes an increase in the amount of \$10,000, which is 10% of the additional contingency funds of this proposal, which recognizes the additional support work related to the additional construction work. In order to provide a timely response to future

contingencies as construction progresses to ensure that the design consultant will be appropriately funded to respond to construction contingencies, and to provide for extra work involved in the cleaning and restoration of the historic Batchelder tiles, this memorandum includes a recommendation to provide additional project management, inspection and construction contingency funding.

This memorandum includes an appropriation action recommendation in the Subdivision Park Trust Fund to increase the project budget by \$125,000. This additional funding will enable staff to increase the contingency budget, amend the master agreement, and increase the project delivery costs, as detailed above. This increased funding will ensure the project is completed by the original June opening date.

EVALUATION AND FOLLOW-UP

The Department of Public Works will process Change Orders as per the design changes after approval of the requested amount of the contingency. An amendment to the Master Agreement with the consultant will also be processed and approved by DPW. No additional follow-up actions with council are anticipated at this time.

POLICY ALTERNATIVES

Not applicable

PUBLIC OUTREACH

- 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)**

This item does not meet any of the above criteria, however this memorandum will be posted on the City's website for the May 6, 2008, City Council agenda.

COORDINATION

This memorandum has been coordinated with the Department of Planning, Building and Code Enforcement and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$125,000	
Project Delivery*	\$285,000
Consultant Services**	120,000
Construction	898,108
Contingency ***	229,716
Project Total	\$1,532,824
Prior Year Expenditures	(45,380)
Remaining Project Costs	\$1,487,444

- * Includes recommended increase of \$10,000 in DPW project delivery cost.
- ** Includes recommended increase of \$20,000 in consultant services costs.
- *** Includes recommended increase of \$95,000 in contingency. NOTE: To date the original contingency of \$134,716 has only been sufficient to cover the cost of Change Order #1.

2. COST ELEMENTS OF AGREEMENT/CONTRACT: N/A

3. SOURCE OF FUNDING: 375 – Subdivision Park Trust Fund
 380 – Construction Tax and Property Conveyance Tax Fund:
 Parks Purposes Council District #3

4. OPERATING COSTS: The new Ryland Pool will have a net new operating and maintenance impact of \$11,000 annually starting in 2008-2009. This funding was included in the 2009-2013 General Fund Forecast, released on February 29, 2008.

BUDGET REFERENCE

Fund #	Appn #	Appn Name	RC #	Total Appn.	Amt. For Contract	Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$1,487,444			
Current Available Funding							
380	5177	Pool Repairs	14816X	\$40,000		V-373	10/16/2007 Ord. No. 28143
380	5174	Ryland Pool Repairs	14965X	\$200,000		V-381	
375	6223	Ryland Pool Repairs		\$1,123,000		V-787	12/18/2007 Ord. No. 28215
Total Current Funding Available				\$1,363,000			

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Subject: Ryland Pool Rehabilitation Project

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Additional Funding Recommended							
375	8147	Reserve: Ryland Pool		\$125,000*		V-787	12/18/2007 Ord. No. 28215
Total Project Funding				\$1,488,000			

* Included in this memorandum is a request to appropriate \$125,000 from the Reserve Ryland Pool in the Subdivision Park Trust Fund (appropriation totals \$327,000) to ensure sufficient funding is available to complete this project.

CEQA

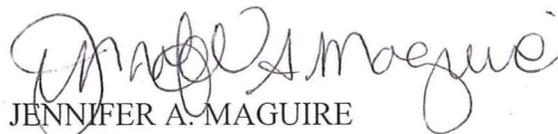
CEQA: Exempt, PP07-211



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Acting Budget Director

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at 408-535-8300.

KT:FS:RV
Attachment