



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
William F. Sherry

SUBJECT: SEE BELOW

DATE: 05-21-07

Approved

Debra A. Pata

Date

5/24/07

COUNCIL DISTRICT: Citywide

SUBJECT: NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT NORTH CONCOURSE BUILDING FOUNDATION AND UTILITY TUNNEL CONCRETE (PACKAGE 02A) CONTRACT CHANGE ORDER #6

RECOMMENDATION

Approval of Contract Change Order Number 6 in the amount of \$378,892.50 with Gonsalves & Santucci, Inc. dba Conco for the Norman Y. Mineta San José International Airport North Concourse Foundation and Utility Tunnel Concrete (Package 02A).

OUTCOME

Approval of this Contract Change Order allows the City to pay Conco for the operation and maintenance of the construction dewatering system for the North Concourse building currently under construction.

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 are completed, which are "Site Preparation and Excavation" and "Foundation Piles," respectively. The scope of Package 02A, "Foundations and Utility Tunnel Concrete" encompasses construction of the foundation and utility tunnel concrete including waterproofing and is almost complete. Package 02C, "Structural Steel," currently underway, encompasses the

05-21-07

Subject: Norman Y. Mineta San José International Airport

North Concourse Building Foundation and Utility Tunnel Concrete (Package 02A)

Page 2

fabrication and erection of structural steel and metal decking. Also currently underway is Package 4, "General Building," which encompasses the construction of the exterior envelope including the curtainwalls, glazed roofing, underground utilities, structural steel, mechanical, electrical and related systems.

During construction of this project, the Airport Capital Improvement Program was restructured and modified from a central terminal to a two terminal concept. As part of the reprogramming effort the functionality of the N. Concourse was revised resulting in the removal of the temporary passenger processing functions from the N. Concourse building. This front end reprogramming effort and the subsequent redesign effort required to reflect the building's revised functionality extended the project schedule by 3.5 months.

ANALYSIS

The project schedule extension required the construction dewatering system to be operated, maintained and tested longer than anticipated. Dewatering operations were extended from the end of December 2006 to April 20, 2007. Additional costs were incurred to extend operation of the system. In addition, initially, the construction dewatering was in Package 1 that covered excavation. Since the project schedule was extended, and the Package 1 excavation contractor had completed the majority of its work, the City negotiated with Conco, the Package 2A contractor, to continue the operation of the dewatering system. System operating costs include electricity as the primary expense, as well as equipment rental, labor, maintenance and testing. The City negotiated a price of \$378,892.50 with Conco to extend the dewatering system until the basement walls are waterproofed. Staff used professional cost estimating services from Gilbane Building Company, the City's construction manager on the project, to ensure a fair price.

The cost of this change order is within the construction contingency for this project.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 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)**
- Criteria 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)**

05-21-07

Subject: Norman Y. Mineta San José International Airport

North Concourse Building Foundation and Utility Tunnel Concrete (Package 02A)

Page 3

Approval of this contract change order does not meet any of the criteria identified by the Sunshine Reforms Work Plan. This memorandum will be posted on the City's website for the June 12, 2007 Council agenda.

COORDINATION

This change order and memorandum have been coordinated with the Department of Planning, Building and Code Enforcement, City Manager's Budget Office and 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: \$ 378,892.50

2. COST OF PROJECT:

Project Delivery	\$ 5,810,000
Construction	15,918,037
Change Order Nos. 1-5	499,134
Contingency Balance	<u>1,052,866</u>
TOTAL	\$23,280,037

3. SOURCE OF FUNDING:

520 – Airport Revenue Bond Improvement Fund
526 – Airport Revenue Bond Improvement Fund

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

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract Change Order #6	2006-07 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
526	4657	North Concourse Building	\$15,988,000	\$378,892.50	V-980	10/17/06 27888
		Total	\$15,988,000	\$378,892.50		

HONORABLE MAYOR AND CITY COUNCIL

05-21-07

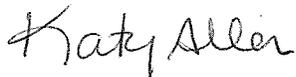
Subject: Norman Y. Mineta San José International Airport

North Concourse Building Foundation and Utility Tunnel Concrete (Package 02A)

Page 4

CEQA

CEQA: Resolution Nos. 67380 and 71451, PP 07-093.



KATY ALLEN

Director, Public Works Department



WILLIAM F. SHERRY, A.A.E.

Director of Aviation
Airport Department

For questions please contact HARRY FREITAS, DEPUTY DIRECTOR, PUBLIC WORKS DEPARTMENT, at 408-535-8300.

HF:rc

CM for CCO 6.doc