



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Albert Balagso
Jennifer Maguire

SUBJECT: SEE BELOW

DATE: 08-06-07

Approved

Date

8/11/07

COUNCIL DISTRICT: Citywide

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS AND APPROVAL OF CONTRACT CHANGE ORDER NUMBER 5 FOR THE LAKE CUNNINGHAM REGIONAL SKATE PARK PROJECT

RECOMMENDATION

1. Approval of an increase in the contingency budget for the Lake Cunningham Regional Skate Park in the amount of \$349,877 for a total contingency budget of \$589,877.
2. Approval of Contract Change Order Number 5 in the amount of \$349,877 for a total contract amount of \$5,111,177 with Robert A. Bothman, Inc. for the Lake Cunningham Regional Skate Park Project.
3. Adoption of the following Appropriation Ordinance amendments in the Lake Cunningham Fund (Fund 462):
 - a. Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$200,000 for the City-wide Skateboard Park Development Project; and
 - b. Decrease the Ending Fund Balance by \$200,000.
4. Adoption of the following Appropriation Ordinance amendments in the Construction and Conveyance Tax Fund – Citywide Parks Purposes (Fund 391):
 - a. Increase the City-wide Skateboard Park Development appropriation to the Parks, Recreation and Neighborhood Services Department by \$180,000; and
 - b. Decrease the Ending Fund Balance by \$180,000.

OUTCOME

Approval of this Contract Change Order No. 5 will authorize the addition to the project scope of: 1) installation of a rail to separate the spectator areas and the skating areas; and 2) installation of concrete pavement in lieu of asphalt pavement between the skate areas. Approval of appropriation adjustments provides necessary funding for the installation of the improvements and associated project delivery costs.

BACKGROUND

The Lake Cunningham Regional Skate Park Project site is located on the southeast corner of Lake Cunningham Park near the Tully and White Roads intersection (map attached).

On January 9, 2007, the City Council approved the award of the subject construction contract to Robert A. Bothman, Inc., in the amount of \$4,761,300. The base bid project scope includes the construction of a 40,000 square foot concrete skate area, asphalt concrete decking areas, concrete pathway, staff/restroom building, security cameras, fencing, irrigation and landscaping, security lighting, and other site amenities. In addition to the base bid scope of work, there were six add alternate bid items, two of which included the installation of a rail to separate the skate areas from the spectator areas, and the installation of concrete pavement in lieu of asphalt pavement between the skate areas. The contract did not include the award of any add alternate bid items due to insufficient funds.

ANALYSIS

Additional funds were identified in 2007-2008 which will allow a change order for the installation of the rail and the concrete paving between the skate areas. As a result of staff's negotiations with the Contractor, the costs of the two change order items were within 5 percent of the original bid price for these two add alternate items.

The addition of the rail will provide a physical barrier to keep spectators from the skate bowls and to protect the spectators from errant skateboards. Similarly, the concrete pavement will ensure the long-term durability of the paved surface surrounding the skate areas and avoid any future resurfacing of the pavement. Both of these site enhancements will be of long-term benefit to the City.

In addition to the contract change order, additional project delivery funds are requested in the amount of \$30,000 for concrete testing, additional construction management and inspection, and submittal reviews.

This memorandum includes an appropriation action request to increase the project budget by \$380,000. \$350,000 is needed due to the cost of Change Order No. 5 for the safety rail and installation of concrete in place of asphalt. An additional \$30,000 is needed for increased

construction management and inspection, Materials Lab testing, and project management for submittal reviews. Additional funds are recommended to come from the Lake Cunningham Fund (\$200,000) and the Citywide Construction and Conveyance Tax Fund (\$180,000).

EVALUATION AND FOLLOW-UP

The project is currently within budget and on schedule with a projected completion in January 2008. No additional follow-up actions with the Council are expected at this time.

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)**

Approval of this contract change order does not meet any of the criteria stated above. However, this memorandum will be posted on the City’s website for the August 28, 2007 Council agenda.

COORDINATION

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

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:	\$349,877
Project Delivery	\$ 686,709
Design, Survey & Geotechnical Consultants	700,991
Construction Contract	4,761,300
Change Order Nos. 1-4	24,474

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Original Contingency Balance	215,526
Increased Contingency/Change Order No. 5	349,877
Increased Project Delivery	<u>30,000</u>
TOTAL PROJECT COSTS	\$6,768,877
Estimated Prior Year Expenditures	<u>5,782,879</u>
REMAINING PROJECT COSTS	\$ 985,998

2. COST ELEMENTS OF CONTRACT

3. SOURCE OF FUNDING:
- 462 – Lake Cunningham Fund
 - 391 – Construction and Conveyance Tax Fund:
City-wide Parks Purposes
 - 375 – Subdivision Park Trust Fund

4. OPERATING COSTS: Review of this change order determined no significant adverse impact on the General Fund Operating Budget. However, the operating and maintenance costs for this facility have been reviewed and estimated to be approximately \$184,000 annually, starting in January 2008.

BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction and contingency costs.

Fund #	Appn #	Appn. Name	Total Appn.	2007-2008 Proposed Budget Page*	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$985,998		
Current Funding Available					
375	5190	Citywide Skateboard Park Development	\$286,000	V-513	
391	5190	Citywide Skateboard Park Development	\$320,000	V-450	
Total Current Funding Available			\$606,000		
Additional Funding Recommended**					
462	7999	Ending Fund Balance	\$200,000		
391	7999	Ending Fund Balance	\$180,000		
Total Project Funding			\$986,000		

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- * The 2007-2008 Proposed Capital Budget was approved by the City Council on June 19, 2007.
- ** This memorandum includes appropriation action requests to increase the project funding for the Citywide Skateboard Park Development by \$380,000. This funding will come from the Ending Fund Balance for the Lake Cunningham Fund (\$200,000, total Ending Fund Balance is \$397,162), and the Parks City-wide Construction and Conveyance Tax Fund (\$180,000, total Ending Fund Balance is \$1,002,095).

CEQA

CEQA: Mitigated Negative Declaration, PP06-043.



KATY ALLEN

Director, Public Works Department



ALBERT BALAGSO

Director, Parks, Recreation and
Neighborhood Services



JENNIFER MAGUIRE

Acting Budget Director

Attachment

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

KA:kj:lnr

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