

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: 05-19-08

Approved

Date

5/23/08

COUNCIL DISTRICT: 3
SNI AREA: Five Wounds/
Brookwood

SUBJECT: ROOSEVELT COMMUNITY CENTER PACKAGE II PROJECT CONTRACT CHANGE ORDER NO. 30 FOR LOW VOLTAGE TELECOM AND DATA CABLING AND ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE SUBDIVISION PARK TRUST FUND

RECOMMENDATION

- a. Approval of Contract Change Order No. 30 with West Coast Contractors, Inc. (WCC) for the Roosevelt Community Center Package II Project in the amount of \$180,000 for the telecom, data, MATV (Master Antenna Television) and voice tie cablings, and installation of data patch panels.
- b. Increase the project funding by \$163,000, and contingency authorization from 5% to slightly over 6% for a total project contingency of \$853,450.
- c. 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 of \$163,000 for the Roosevelt Community Center- Multi Service project;
 2. Decrease the: Roosevelt Center Gymnasium Design project by \$161,000; and
 3. Decrease the Reserve: Future PDO/PIFO Projects by \$2,000.

OUTCOME

Approval of Contract Change Order No. 30 (CCO No. 30) will provide for the installation of the communications and computer network systems at the new community center. Increasing the contingency amount will enable staff to efficiently manage any extra work needs that might arise through the remaining construction duration of the Roosevelt Community Center Package II project.

EXECUTIVE SUMMARY

The purpose of this memorandum is to approve a change order and increase the contingency budget to compensate and enable the contractor, West Coast Contractors, Inc. to install the data/communication related cabling work.

BACKGROUND

The new Roosevelt Community Center is located in Roosevelt Park, within a residential and commercial business area (map attached). The community center and park is bordered by the San José Academy to the north, 20th and 21st Streets to the east, E. Santa Clara Street to the south, and Coyote Creek to the west. The scope of work for this project includes the construction of a 30,000 square foot two-story building, containing a community center room, various classrooms, administrative offices, fitness, dance, art and computer rooms, a teen lounge, and restrooms with lockers and showers. It also includes the construction of 111 new parking spaces, complementing the existing 73 parking spaces, for a total of 184 spaces. This project will be LEED certified with the United States Green Building Council, with the design goal of obtaining a Silver rating.

In addition to the base bid scope of work, there were three Add Alternate bid items for Package II:

Add Alternates Description

1. Low Voltage Telecom and Data Cabling
2. Sprung Wood Floor in Multi-Purpose Room (MPR)
3. Stone (slate) at Exterior

On April 10, 2007, the City Council awarded the construction contract to WCC for the base bid in the amount of \$13,728,000 plus Add Alternate #2 in the amount of \$13,000 and Add Alternate #3 in the amount of \$68,000 for a total contract amount of \$13,809,000. Council also approved a five percent contingency in the amount of \$690,450.

Add Alternates #2 and #3 were awarded because of favorable prices submitted by the contractor. Add Alternate #1 for the telecom and data cabling, with a bid amount of \$168,000 was not awarded as limited funding was available for the project and there was a desire to evaluate alternative delivery scenarios, including utilizing project contingency. Ultimately, staff determined that it would be most efficient to proceed with having West Coast Contractors perform the work through a change order.

For each construction project a contingency is established as part of the budget in order to provide funding for any unanticipated work necessary for the proper completion of the project. The standard contingency of ten percent is normally used for a building construction project. Since a significant portion of the site work, including site clearing, soil excavation and re-compaction, and underground utilities work were already completed in Package I, staff recommended reducing the

project contingency for Package II to five percent. In the award memo, staff further indicated that if this contingency proved insufficient, staff would request an additional contingency at that time.

A Notice to Proceed was issued to contractor on May 1, 2007 and construction is approximately 81% complete. This project is scheduled for completion in November 2008.

ANALYSIS

1. Contract Change Order No. 30

The installation of the telecom and data cabling work as described in Add Alternate No. 1 will allow the installation and connectivity of the communications and network systems at the new community center to be completed before the end of construction phase. Staff examined delivery options with multiple resources and concluded that the most efficient way to accomplish this installation is to have the current contractor carry it out under contract change order and maintain a single source of responsibility.

The proposed CCO No. 30 in an amount of \$180,000 represents an increase of 7% above the value received in the original bid. Staff believes that the proposed change order amount is reasonable and within the construction cost escalation experienced in the past year. Timely approval of CCO No. 30 will enable the City to authorize the contractor to proceed with installation of the telecom and data cabling system without delaying the construction schedule.

2. Contingency

The addition of 1% contingency funding and authorization will supplement the cost of CCO No. 30 as well as leaving a balance to resolve other known issues and any unanticipated work necessary for the proper completion of the project.

This memorandum includes a recommendation to appropriate \$163,000 to the Roosevelt Community Center project. Funding will be reallocated from the Roosevelt Center Gymnasium Design project (\$161,000), and the Reserve: Future PDO/PIFO Projects (\$2,000). This amount will provide additional project funding which will enable staff to efficiently manage any extra work that might arise through the remaining construction duration of the Roosevelt Community Center Package II project..

EVALUATION AND FOLLOW-UP

No evaluation and follow-up items are anticipated with Council 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)**

This memorandum does not meet any of the criteria above but will be placed in the City Internet website for the June 10, 2008 Council agenda.

COORDINATION

This memorandum and project have been coordinated with the Departments of Parks, Recreation and Neighborhood Services and Planning, Building and Code Enforcement, the City Attorney's Office, and the Council District 3 Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved Budget Strategy to continue with investments that spur construction spending in our local economy and with the Greenprint for Parks and Community Facilities and Programs.

COST SUMMARY/IMPLICATIONS

1. COST OF RECOMMENDATION/COST OF PROJECT: \$163,000

Project Delivery – Package I & II	\$5,228,000
Land Acquisition	3,775,388
Construction – Package I + Contingency	1,674,466
Construction – Package II	13,809,000
Original Contingency	690,450
Proposed Contingency Increase	163,000
TOTAL PROJECT COSTS	25,340,304
Prior Year Expenditures	(22,008,436)
REMAINING PROJECT COSTS	\$3,331,868

2. COST ELEMENTS OF CONSTRUCTION CONTRACT: A Lump Sum Contract
3. SOURCE OF FUNDING: 375 – Park Trust Fund
 380 – Construction Tax & Conveyance Fund Council District 3
 471 – Parks and Recreation Bond Projects Fund
 446 – Storm Sewer Operating Fund
4. OPERATING COSTS: The increased operating and maintenance costs associated with this project are estimated to be \$681,000 annually, starting in the fall of 2008. This funding was included in the 2009-2013 General Fund Forecast, released on February 29, 2008.

BUDGET REFERENCE

The table below identifies the fund and appropriation 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	RC#	Total Appn	Amt. for Contract	2007-2008 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$3,331,868			
Current Funding Available							
471	4789	Roosevelt Community Center – Multi-Service	12887x	\$1,782,000		V - 814	10/16/2007 Ord. No. 28143
380	4789	Roosevelt Community Center-Multi Service	12887x	\$967,000		V - 378	6/19/2007 Ord. No. 28071
375	4789	Roosevelt Community Center- Multi Service	12887x	\$351,000		V - 695	6/19/2007 Ord. No. 28071
446	0762	Environmental Services Department: Non-Personal Equipment		\$65,000*		Operating Budget, XI- 80	02/12/2008 Ord. No. 28241
Total Current Funding Available				\$3,165,000			
Recommended Additional Funding							
375	5203	Roosevelt Center Gymnasium Design	TBA	\$161,000		V - 693	
375	8845	Reserve: Future PDO/PIFO Projects		\$2,000		V - 799	5/6/2008 Ord. No. 28298
Total Recommended Additional Funding				\$163,000			
Funding in future years of CIP				\$4,000			
Total Funding for Project				\$3,332,000			

HONORABLE MAYOR AND CITY COUNCIL

05-19-08

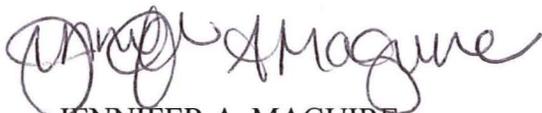
Subject: Roosevelt Community Center Package II CCO No. 30 for Low Voltage Telecom/Data Cabling

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- * The Non-Personal/Equipment appropriation in the Storm Sewer Operating Fund totals \$2,198,489. Out of this amount, a total of \$65,000 has been allocated for construction of the storm water treatment.
- ** Included in this memorandum is a request to reallocate \$161,000 from the Roosevelt Center Gymnasium Design project (total appropriation is \$161,000) and \$2,000 from the Reserve: Future PDO/PIFO Projects (total appropriation is \$29,122,449) to ensure sufficient funding is available to complete the Roosevelt Community Center – Multi-Service project.

CEQA

CEQA: Mitigated Negative Declaration PP03-12-397.



JENNIFER A. MAGUIRE
Acting Budget Director



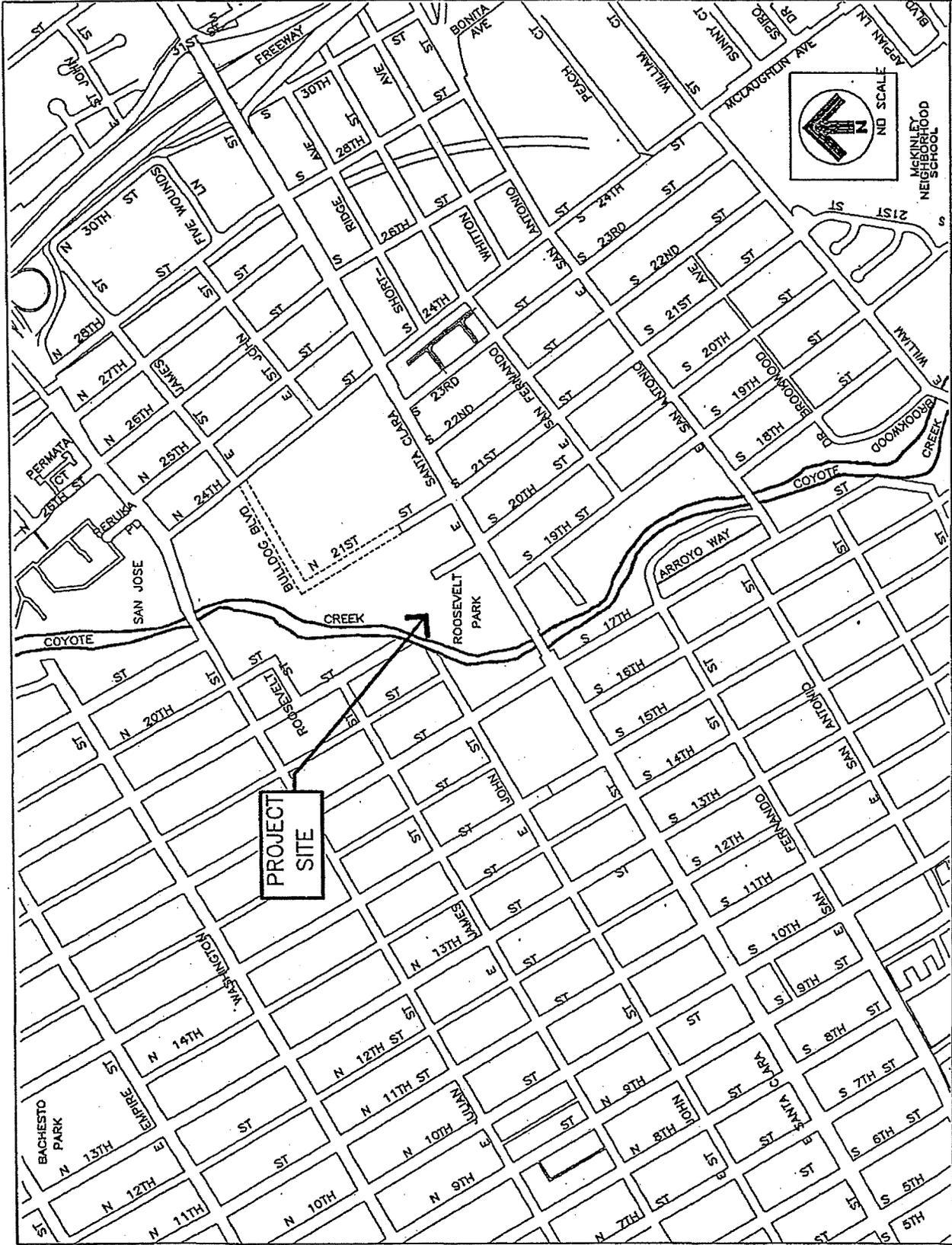
KATY ALLEN
Director, Public Works Department

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

KJ:dt:bg

Attachment

N:\Projects\Roosevelt CC\PACKAGE II\Contract & Construction Management\CCO's\475471_RO2_CCO_Cabling_Rev10.doc



ROOSEVELT PARK
 LOCATION MAP
 NO SCALE

