



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: SEE BELOW

DATE: April 30, 2012

Approved

Date

5/9/12

COUNCIL DISTRICT: 7

SNI: Tully/Senter

SUBJECT: APPROVAL TO INCREASE THE FAIR SWIM CENTER PUMP ROOM RENOVATION CONTINGENCY BUDGET FOR THE FAIR SWIM CENTER IMPROVEMENTS PROJECT

RECOMMENDATION

Approve an increase to the Fair Swim Center Pump Room Renovation Project contingency by \$39,000, from \$143,900 to a total amount of \$182,900.

OUTCOME

Approval of the increase to the Fair Swim Center Pump Room Renovation Project contingency will allow staff to address pending and potential future additional construction work needed to complete the project.

BACKGROUND

The Fair Swim Center is located at 1350 Bacchus Drive, near the intersection of McLaughlin Avenue. The swim center is bordered by residential neighborhoods to the north, west and south, and State Route 101 to the east (map attached).

The Fair Swim Center was constructed in 2002 and opened to the public in 2003. The facility has recently experienced failures of the mechanical equipment in the pump room. In 2011 a project to upgrade the mechanical equipment and pump room was undertaken with the following scope:

- Upgrade the pool drains to comply with the Virginia Graeme Baker Pool & Spa Safety Act (P&SS Act), which sets forth federal minimum pool safety requirements applicable to public pools;

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- Partial demolition of existing pump room and storage area and construction of 320-square feet (approximately 40%) of additional pump room space;
- Update chemical storage tanks and supply plumbing with modern double contained systems;
- Upgrade of chemical feed and control systems with a computer monitored system consistent with current technology and best design practices;
- Construct a new 600-square foot storage building.

The plans and specifications for the current project were approved by the Director of Public Works on October 28, 2011. The project was advertised for public bid on November 9, 2011. On January 10, 2012, Council awarded the construction contract to Waterworks Industries, Inc. (WWI) for a total bid amount of \$959,800. Council approved a 15 percent contingency in the amount of \$143,900, which is the standard contingency for retrofit construction projects.

ANALYSIS

Prior to bid opening, the facility experienced a chemical feed system failure. To mitigate this from occurring in the future, the project underway included complete renovation or replacement of the original chemical supply and storage systems and was reviewed for conformance by the Fire Department's Hazardous Materials Division. However, as a result of the system failure, and subsequent to construction start, the Public Works Department, in consultation with PRNS, and the City's Environmental Services Department (ESD), determined that a higher level of chemical containment was warranted. The additional protection measures resulted in a number of potential change orders that will result in costs that will exceed the original contingency.

Construction began on the project on February 14, 2012. The construction schedule is aggressive with the goal of reopening for the 2012 summer swim season. Construction is well underway and City staff has identified additional construction work that is needed to properly complete the project. The cost of the additional construction work is estimated to exceed the 15 percent contingency approved by Council. The additional construction work can be summarized as follows:

1. Approved change orders caused by unforeseen conditions totaled \$99,950. These were generally subsurface electrical and drainage conflicts.
2. Potential change orders totaling \$28,812 as a result of the enhanced chemical containment system
3. Other scope changes requested by the City totaled \$11,261. These consisted of upgrading the pool lighting system to an LED system, replacement of the existing emergency lighting system, and mechanical repairs to pool play features.

The project is scheduled for completion in mid-June, and it is anticipated to reopen to the public later in June. At this point, the Director of Public Works has approved four contract change

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orders, in an aggregate amount of \$140,023, which compensates the contractor for all work performed to date. The remaining construction contingency is \$3,947. Additional contingency funding is requested in order to pay for potential changes and to help keep the project on schedule.

The approval of additional contingency funds allows the contractor to proceed with unfunded additional work, and replenishes the depleted contingency fund against the possibility of unidentified additional work. The proposed amount of \$39,000 for increased contingency represents a 4 percent increase to the original 15 percent contingency for a total 19 percent contingency.

EVALUATION AND FOLLOW-UP

This project is currently on schedule. The need for the above-described additional work to properly complete the project has resulted in an increase to the budget. However, any additional work is anticipated to be within the range of the estimated increase in contingency. No further action by Council is anticipated.

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: Email 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: Email, 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 22, 2012 Council agenda.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office, City Manager's Budget Office, Parks, Recreation and Neighborhood Services Department, Finance Department, and Council District 7 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 SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Project Delivery	\$305,000
Construction	959,800
Contingency	143,900
TOTAL PROJECT COSTS	\$1,408,700
Prior Year Expenditures	(24,292)*
REMAINING PROJECT COSTS	\$1,384,408

*A total of \$24,292 has been expended or encumbered through 2010-2011 for Project Delivery costs.

2. SOURCE OF FUNDING: 375 – Subdivision Park Trust Fund
385 – Construction and Conveyance Tax Fund: Parks Purposes Council District 7
390 – Construction and Conveyance Tax Fund: Parks Purposes Central Fund
3. OPERATING COSTS: There are no additional operating and maintenance costs associated with this project.

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BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Contract	2011-2012 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$1,384,408			
375	7282	Fair Swim Center Improvements	\$523,000		V-517	06/21/2011, Ord. No. 28928
385	7282	Fair Swim Center Improvements	\$823,000		V-396	01/10/2012, Ord. No. 29020
390	6255	Pools and Fountains	\$39,000*		V-434	10/18/2011 Ord. No. 28979
Total Funding Available			\$1,385,000			

*A total of \$39,000 of the existing Pool and Fountains allocation (appropriation totals \$140,000) will be expended on the Fair Swim Center Improvements project to ensure adequate funding is available to complete the project.

CEQA

CEQA: Exempt, File No. PP11-089.

/s/
 DAVID SYKES
 Director of Public Works

For questions please contact Harry Freitas, Assistant Director, at 408-535-8300.

Attachment