

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: March 16, 2009

Approved by: BP

Subject: Monthly and Mid-Project Progress Report: Civic Center

From: Rich Cunningham, Public Works Manager
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STAFF RECOMMENDATION

1. Receive monthly progress report at 50% completion.
2. Authorize proceeding with interior modifications to City Hall in accordance with plans previously presented to Council, at an estimated cost of \$200,000, with this added scope to be funded from unexpended contingency allowance from the first half of the project.

BACKGROUND

The contract with Sausal Corporation for this work is nearly a year old now, having been awarded by the Council on April 3, 2008. Work got underway in the City Hall on May 12th, and in Police and Fire on September 2, 2008. With the payments on the 10th Progress Payment this month, we are past the half way mark (52%) on payments. Completion is currently projected for September 2009, having slipped about a week as a consequence of the recent rains.

To this point a total of 31 Contract Change Orders have been issued for added work required for unexpected conditions, to resolve the discrepancy between plans when work is called for on one set of plans, but not provided for in another, or to add work intended to be included but inadvertently left out of the plans. These Change Orders total \$269,203, or about 3.4% of the total job, or 6.2% of the contractor's billings to date. The Change Orders are funded from the project contingency of \$1,444,500, and represents less than 20% of the contingency at this 50% point in project progress.

DISCUSSION

The halfway mark into the project is a reasonable point at which to review and evaluate the overall progress, as well as the availability of funds to construct proposed interior modifications to City Hall.

The contractor continues to be very cooperative and project process appears good. The project architect will be in attendance at the Council meeting, and staff is preparing a photo presentation to show the work completed.

Drywall is underway in Police. Metal roofing is 99% complete, although some gutter and downspout work remains. Roof framing over the existing Fire building is nearly complete, but the addition areas are just started, having been delayed by wet weather. Interior framing in Fire is nearing completion.

We are looking more now at the issues surrounding moving back. A tentative budget of \$300,000 has been established for this purpose. It is possible that we will move back in phases, in the same manner in which we moved out of the buildings. The three departments (Administration, Finance, and Community Development) would move back to City Hall first. This may provide the opportunity to install and commission the phone system before the police and fire departments move back. This will alleviate time pressure for the move of the 911 and radio-associated issues (particularly the antenna, which was a controlling factor in moving out to Monroe Street). The leases on the modular buildings run until summer of 2010.

Council previously reviewed and authorized the development of plans and cost estimates for interior modifications to City Hall. The proposed changes would maximize available space by utilizing the lobby as a public reception area and former storage/utility areas for offices. Attached is a floor plan of the changes. Office and meeting spaces are shifted around. For example, the former conference room becomes office space for Community Development, the City Administrator's office becomes a conference room, and new office space is created in the former Administrative reception area.

The plans call for three new "window" openings in the lobby for public reception to each of the three department areas (Administration, Community Development, and Finance). As a benefit to the public, all counter transactions are available upon entering the building lobby, rather than having to go to different hallways and through different doorways. The project scope also includes the additional work needed for changes in the electrical, heating/ventilation, and fire alarm systems. The estimated cost for the modifications is \$200,000.

ANALYSIS

The City Hall portion of the project is complete to the point of awaiting new modifications (\$200,000, as recommended in this report) and the wall furring and insulation previously authorized (\$69,931.40). To evaluate the project budget's ability to include the modifications, we look to the amount of contingency funds expended to date at the halfway point, as well as to the remaining balance available in the project contingency.

Dividing the project contingency into a first half and a second half allocates approximately \$700,000 in each half. At the 50% point, the City has expended \$270,000 of the \$700,000 project contingency allocated to the first half on change orders. This leaves a balance of

\$430,000 in the first half's project contingency. (This is in addition to the \$700,000 allocated to the second half of the project construction, for a total of approximately \$1,130,000 contingency remaining.)

Staff recommends that Council allocate a budget of \$200,000 for the modifications to City Hall from the \$430,000 remaining in the first half project contingency. When added to the furring/insulation work, the additional City Hall work will be an estimated cost of \$270,000; this will leave \$160,000 in unallocated contingency from the first half of the project, in addition to the contingency of \$700,000 for the second half, for a total remaining unallocated contingency of about \$860,000.

Staff believes \$860,000 is adequate contingency for the second half of the project, including an allowance for a new police/fire radio antenna pole (approximately \$100,000) at the Civic Center site. The modifications to City Hall will help maximize the available space for better efficiency and public service.

CONSTRUCTION PROGRESS

Considerable progress was made before the recent rains set in. The payment for February's work totals \$629,652.05 after allowance for the retention.

- A. Police Station – Door frames in place, windows in place, drywall being hung. This work proceeds in spite of the wet weather. The photovoltaic electricity generating panels (32KWH) are all in place over the west side of the Police Station roof.
- B. Fire Station – Concrete footings and slabs for the apparatus room extension and the new floor areas of the fire station (a storage room and an enlargement of the Day Room) have been poured. Structural brace concrete has not yet been poured. New masonry block (CMU) is proceeding. Much of the structural repair of the building has been performed, but the building remains open to the weather, limiting what mechanical and electrical work can be done. The steel braces and framing additions are currently subject to the weather delays being experienced, inasmuch as concrete footings are needed for them.
- C. City Hall – The structural, hvac, and roofing work was all performed this past summer, and no work is going on in this section of the building at present. A budget of \$200,000 is recommended to the Council for the addition of some remodeling of the Admin/Finance/CD portions of the building. This would result in new counters opening onto the City Hall lobby for interaction with the public, and creating three new office spaces and doing associated added electrical and mechanical work.
- D. EOC. The contractor has poured the EOC footings and is working toward pouring the slab. Work is progressing here in fits and starts, between rains. Currently this concrete item is the critical path items on the contractor's schedule.
- E. Site. Underground utilities are largely complete. EBMUD installed new domestic and new fire service and meters last week. After the recent rains, the site is wet and muddy.
- F. Schedule. Recent rains have slowed the progress. The contractor updates his schedule on a weekly basis. As of March 5, 2009, the projected finish schedule is September 2009.

From an occupancy point of view, it would not be a problem as long as completion occurs by about Thanksgiving: 405 Kains Ave. is the first lease to run out, at year-end this year.

CHANGE ORDERS: Contract Change Orders #30-31 were issued in February. Following is more detail on the Contract Change Orders. Change Orders issued to this point represent 3.3% of the total contract cost.

30. Fire Station Additions - demo, SS replacement, slurry backfill: (\$36,482.90) We have been mentally carrying an allowance of \$50,000 for the unplanned replacement of sewer lines for the floor drains of the apparatus bay, including removal and replacement of the concrete floor under which they lay. With this contract change order and the following, we now have a fixed price for this work.
31. 2" Water Line (FD), Plumbing Extras, Framing Extras: (\$4,924.60) This change order includes \$1,327 of the cost of the sewer replacement under the FD slab areas, plus replacing a 2" water line used by FD for refilling their water tanks, and item that was missed in the site work plans.

An additional change order under development is to install the drinking fountain intended for sharing by the Emergency Operations Center and the adjacent exercise room, as an overlooked item, at a cost of \$4,385.95. With the City's policy not to supply bottled water, and to discourage personal plastic water bottles, and the need to hydrate during exercise and emergency operations, the fountain is a more environmentally and economically sustainable approach. There will be no cooling unit.

We still have a few outstanding RFI's (Requests for Information) and PCO's (Proposed Change Orders) from the contractor that are likely to result in contract change orders and extra work costs.

FINANCIAL STATUS:

1. **Original contract amount: \$7,852,700.00**
2. **Original contract plus casework: \$8,081,180.00**
3. Change Orders #1-2, 4-31: \$269,203.71 (3.3% of contract amount)
4. **Contract amount is now \$8,350,383.71**
5. Progress payment No.10 scheduled, in the amount of \$ 629,652.05 .
6. Total payments to date (1-10, including retention in escrow for the contractor): \$4,353,265.77 Percent Complete: 52.1 % of current contract amount