



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

CONSENT
March 20, 2007

**Honorable Mayor and
Members of the City Council**

Title: Agreement/Contract: Crocker Art Museum Expansion and Renovation (CF61)

Location/Council District: 216 O Street, Council District 1

Recommendation: Adopt a **Resolution:** 1) Authorizing the Crocker Art Museum Association (CAMA) to execute an agreement with Rudolph & Sletten, Inc. for pre-construction phase construction management services for the Crocker Art Museum Expansion and Renovation Project (the "Project") in the amount of \$183,308; and 2) authorizing the City Manager to execute a construction contract with Rudolph & Sletten, Inc. for public improvements in an amount not to exceed \$1,850,000.

Contact: Lial Jones, Director, Crocker Art Museum, 916-264-5423, Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not Applicable

Department: General Services

Division: Facilities & Real Property Management

Organization No: 3289

Description/Analysis:

Issue: CAMA is currently leading efforts to expand and renovate the Crocker Art Museum as it lacks the standard facilities associated with current museum standards and market conditions including: adequate exhibit, loading dock, education and office space. In addition, the Museum requires improvements to conform with the Americans with Disabilities Act (ADA) and correct deficient structural, mechanical and life safety issues.

In December 2002, the City Council approved a Memorandum of Understanding (MOU) between the City of Sacramento and CAMA outlining the roles and responsibilities of the City and CAMA throughout the preconstruction and construction phases of the Project and authorized CAMA to release a Request for Qualifications/Request for Proposal (RFQ/RFP) for the selection of a Construction Manager/General Contractor (CM/GC) for the Project.

The City Council was updated on the outcome of the process and CAMA's selection of Rudolph & Sletten, Inc. on February 3, 2004.

On March 11, 2003, the City accepted a Proposition 40 Historical and Cultural Resources Preservation Opportunity Grant from the State of California (State) in the amount of \$4 million for the Project. The City's agreement with the State requires that construction documents and publicly accessible improvements be complete by September 30, 2007.

City Council approval of a construction contract with Rudolph & Sletten, Inc. is required so that certain public improvements (painting, window repair and building stabilization) can be completed. In addition, consistent with the terms of the MOU, City Council authorization is required for CAMA to enter into an agreement for construction management services with Rudolph & Sletten, Inc. to complete the preconstruction phase of the Project (design and construction documents). City Council action is necessary at this time to ensure that these deliverables are completed within the performance period of the Grant agreement.

Policy Considerations: Authorizing CAMA to execute an agreement for pre-construction phase construction management services is consistent with the provisions in the MOU between the City and CAMA. The City Council may approve a construction contract with Rudolph & Sletten, Inc. for the Proposition 40 funded work without separate competitive bidding as the City Council previously adopted a resolution (Resolution 2003-117) suspending competitive bidding for the Project.

Staff will bring forward a number of policy issues at a future date for City Council information, direction and/or action. These next steps include:

- Relocation of Second Street between O and P Streets in advance of the overall construction of the project;
- The Sale of Lot X and appropriation of proceeds to the project; and
- An update on CAMA's Business Plan and the overall Capital Campaign.

Environmental Considerations: The Environmental Services Manager has determined that the proposed project is exempt from CEQA under Section 15331 of the CEQA Guidelines. Exemption 15331 consists of projects limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the Secretary of Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings.

Rationale for Recommendation: Under the provisions of the Grant agreement with the State of California, the City must expend the Proposition 40 Historical and Cultural Resources Preservation Opportunity Grant funds before September 30,

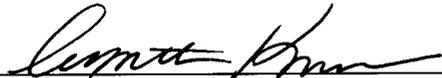
2007. The State has agreed that \$2 million can be designated for design and development of construction documents, and the remaining \$2 million be designated for improvements, all of which can be completed within the performance period.

Consistent with the MOU and prior City Council direction, staff is recommending that the City Council authorize CAMA to execute the agreement with Rudolph & Sletten, Inc. to perform construction management services necessary to complete the preconstruction phase of the overall Crocker Art Museum Expansion and Renovation Project including design and construction documents. Staff is also recommending that the City Council approve a construction contract with Rudolph & Sletten, Inc. for improvements funded by the Proposition 40 Historical and Cultural Resources Preservation Opportunity Grant funds which must be completed by September 2007. This will ensure that the City can expend and bill the entire \$4 million grant before the end of the performance period of the Grant agreement.

Financial Considerations: On March 11, 2003, the City Council accepted \$4 million in Grant funds and established a Capital Improvement Project (CIP) for the Crocker Art Museum Expansion Project (CF61). The current agreement with the State allows 50% of the total grant funds, or \$2 million, to be used for design and development of construction documents. The remaining \$2 million is eligible for public improvements. There is \$1.85 million currently available in CF61 to award the construction contract for the public improvements. The remaining \$150,000 in Grant funds will be used to reimburse the City for eligible deferred maintenance work already completed within the Grant performance period.

Consistent with the MOU, CAMA acts as the Project "Owner" during the preconstruction phase and is therefore financially responsible for the cost of the construction management services agreement with Rudolph & Sletten, Inc. during the preconstruction phase. Therefore, staff is also recommending that Council authorize CAMA to execute the \$183,308 pre-construction phase management service contract with Rudolph & Sletten, Inc. to be paid by CAMA.

Emerging Small Business Development (ESBD): The selection of consultants and contractors for this project followed City established guidelines for ESBD. Rudolph & Sletten, Inc. as part of the construction contract exceeded the City's requirement of 20% for ESBD.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

Respectfully Submitted by: Lial Jones
Lial Jones
Director, Crocker Art Museum

Approved by: Reina J. Schwartz
Reina J. Schwartz
Director, Department of General Services

Approved by: Barbara E Bonebrake
Barbara Bonebrake
Director, Department of Convention Culture and Leisure

Recommendation Approved:

Don Mat
Ray Kerridge
City Manager

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Attachment 1**BACKGROUND INFORMATION**

Crocker Art Museum currently lacks the standard facilities associated with current museum standards and market conditions, including inadequate exhibit, loading dock, education and office space.

The current size of the Crocker Museum is 45,000 square feet. According to the 2004 Association of Art Museum Directors Statistics Survey the average square footage for art museums is 177,637. The existing Museum provides gallery space for only approximately 5% of the entire Crocker collection. New gallery space will allow greater public exposure to a greater percentage of the collection. With adequate service and support facilities, more voluminous galleries and state-of-the-art lighting and environmental controls in the expansion, Crocker Art Museum Association (CAMA) will be able to attract a wider range of temporary exhibits.

- On December 3, 2002, the City and CAMA executed a Memorandum of Understanding (MOU) that outlines the roles and responsibilities of the City and CAMA throughout the preconstruction and construction phases of the project.
 - Under the MOU, CAMA acts as the Project “Owner” during the preconstruction phase, and CAMA is authorized to execute in its name all design and preconstruction services contracts, subject to City approvals.
- On December 3, 2002, the City Council authorized CAMA to release a Request for Qualifications/Request for Proposal (RFQ/RFP) for the selection of a Construction Manager/General Contractor (CM/GC) for the Project.
 - A panel comprised of CAMA and City representatives unanimously selected Rudolph & Sletten, Inc. as the Construction Manager for the Project through a competitive, qualification-based selection process.
- On March 11, 2003, the City Council adopted Resolution No. 2003-117 that suspended competitive bidding for the construction of the Project, as it is permitted to do under Section 3.60.170 D of the Sacramento City Code, which allows competitive bidding to be suspended if the City Council determines, on a 2/3 vote, that it is in the best interests of the City.
- On March 11, 2003, the City Council accepted a \$4 million Proposition 40 Historical and Cultural Resources Preservation Opportunity Grant and established a Capital Improvement Project (CF61) to administer it.
 - Under the terms of the Grant, all work eligible for reimbursement under the Grant must be complete by September 30, 2007

- CAMA's use of Rudolph & Sletten, Inc. to date was authorized by the City Manager, as provided in the MOU. Authorizing CAMA to execute the agreement with Rudolph & Sletten, Inc. will allow Rudolph & Sletten, Inc. to perform construction management services necessary to complete the preconstruction phase of the project in time to preserve the Grant funding.

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

March 20, 2007

**AUTHORIZING THE CROCKER ART MUSEUM ASSOCIATION (CAMA)
TO EXECUTE AN AGREEMENT WITH RUDOLPH & SLETTEN, INC. FOR
CONSTRUCTION MANAGEMENT SERVICES AND
AWARDING A CONSTRUCTION CONTRACT TO RUDOLPH & SLETTEN, INC.
FOR PUBLIC IMPROVEMENT ELEMENTS OF THE
CROCKER ART MUSEUM EXPANSION AND RENOVATION PROJECT (CF61)**

BACKGROUND

- A. The existing Crocker Art Museum lacks the facilities associated with current museum standards and market conditions including: adequate exhibit, loading dock, education and office space. In addition, the Museum requires improvements to conform with the Americans with Disabilities Act (ADA) and correct deficient structural, mechanical and life safety issues.
- B. In December 2002, the City Council approved a Memorandum of Understanding (MOU) between the City of Sacramento and the CAMA that outlined the roles and responsibilities of the City and CAMA throughout the preconstruction and construction phases of the project.
- C. The City completed a Request for Qualifications/Request for Proposal (RFQ/RFP) for the selection of a Construction Manager/General Contractor (CM/GC) for the Project. Based on the recommendations from the City-CAMA selection panel, CAMA subsequently selected Rudolph & Sletten, Inc. as the recommended CM/GC for the Project.
- D. On March 11, 2003, the City Council adopted Resolution No. 2003-117, suspending competitive bidding for construction of the project.
- E. On March 11, 2003, the City accepted a Proposition 40 Historical and Cultural Resources Preservation Opportunity Grant from the State of California in the amount of \$4 million. The City's agreement with the State requires that the funded improvements be complete and open to the public by September 30, 2007.
- F. To meet this deadline, it is in the City's best interests to approve a construction contract between the City and Rudolph & Sletten, Inc. for public improvements.
- G. In addition to the construction contract for Proposition 40 funded work, under the terms of the MOU, City Council approval is required for CAMA to enter into an

agreement for construction management services with Rudolph & Sletten, Inc. to complete the preconstruction phase for the Project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Crocker Art Museum Association is authorized to execute an agreement with Rudolph & Sletten, Inc. for construction management services for the preconstruction phase of the Crocker Art Museum Expansion Project in an amount not to exceed \$183,308.
- Section 2. The City Manager or his designee is authorized to execute a construction contract with Rudolph & Sletten, Inc. for the improvements to the Crocker Art Museum in an amount not to exceed \$1,850,000.