



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

CONSENT  
February 12, 2008

Honorable Mayor and  
Members of the City Council

**Title:** Change Order: Fulton Avenue Development Phase I (B18333203)

**Location/Council District:** Fulton Avenue & Business 80. (District 2)

**Recommendation:** Adopt a **Resolution 1**) authorizing the City Manager to execute a change order in the amount of \$195,304.62 with Teichert Construction for the Fulton Avenue Development Phase I Construction (B18333203).

**Contact:** Dean Peckham, Senior Project Manager, (916) 808-7063; Jon Blank, Supervising Engineer, (916) 808-7914

**Presenters:** None

**Departments:** Economic Development and Transportation

**Division:** Citywide Economic Development & Engineering Services

**Organization Numbers:** 4453 & 3434

### Description/Analysis

**Issue:** The change order in the amount of \$195,304.62 is necessary to compensate the contractor for site balancing necessitated by transference of contaminated soil within one area of the site to approved areas of the site for environmental capping.

**Policy Considerations:** The action requested herein is consistent with the Sacramento City Code, title 3 governing public bidding and contracting requirements and City of Sacramento Strategic Plan goals to expand economic development throughout the City.

**Environmental Considerations:** The City Council certified an Environmental Impact Report and adopted a Mitigation Monitoring Plan for this project on January 16, 2007.

**Rationale for Recommendation:** This change order in the amount of \$195,304.62 will be necessary to compensate the contractor for work performed to provide a uniformly graded and construction-ready site. City Council action is required to approve any change order over \$100,000.

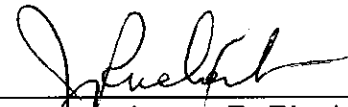


City Council approval is necessary to move forward with approving the change order.

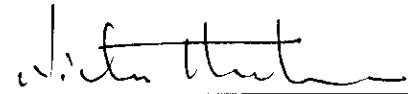
**Financial Considerations:** As of January 11, 2008, the Fulton Avenue Development Project (CIP # B18333203) has a project budget of \$3,455,048 and an unobligated balance of \$370,866.31, which is sufficient to execute the change order in the amount of \$195,304.62 with Teichert Construction.

**Emerging Small Business Development (ESBD):** The ESBD goal is 20 percent. To encourage small and emerging business participation, plans and specifications were sent to 18 plan rooms and construction service organizations for publication. All are directly involved with E/SBE construction firms. The project was also announced on the City's Project Internet site at [www.cityofsacramento.org/bids](http://www.cityofsacramento.org/bids). Teichert Construction has an ESBD participation rate of 26.2 percent.

Respectfully Submitted by:

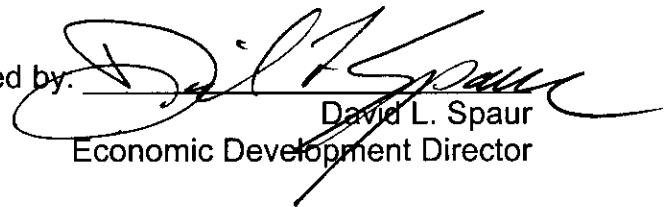


James R. Rinehart  
Citywide Economic Development Manager



Nicholas Theocharides  
Engineering Services Manager

Approved by:



David L. Spaur  
Economic Development Director

Recommendation Approved:



Ray Kerridge  
City Manager

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## Attachment 1

### Background Information:

In 2002, the City Council directed staff to examine potential alternatives for the “highest and best” uses for the 21-acre Sacramento Trapshoot Club Site adjacent to Haggin Oaks Golf Course. In 2004, Mel Rapton Honda, currently located on Fulton Avenue, submitted a written request to the City to lease a portion of the existing property. An Exclusive Rights to Negotiate was executed on June 1, 2004, between the City and Mel Rapton Honda.

In July 2004, the City initiated a process under the regulatory oversight of the County of Sacramento Environmental Management Department and the California Regional Water Quality Control Board (Board) wherein the contamination of the site would be characterized and appropriate remediation would be developed and ultimately implemented.

In July 2005, the City initiated the process of pursuing various permits from the U.S. Army Corps of Engineers and the U.S. Fish & Wildlife Service associated with the on-site wetlands and related habitat.

On May 23, 2006 the City Council approved the Community Reinvestment Capital Improvements Program (Resolution #2006-365) and directed that \$6.4 million for bridge loan funding be directed towards the remediation and development of the Fulton Avenue Development Project.

On June 30, 2006, the lease to the Sacramento Trapshoot Club was terminated.

On December 12, 2006 the City Council approved the Conditions Precedent Agreement between the City of Sacramento and Mel Rapton Honda that memorializes the parties' progress in negotiating a lease and commits the parties to perform specified tasks.

In January 2007, the City Council approved the Environmental Determination: Environmental Impact Report; Mitigation Monitoring Plan; General Plan Amendment to redesignate 20± (twenty) gross acres from Parks, Recreation and Open Space to Heavy Commercial/Warehouse; Rezone of 20± (twenty) gross acres from the Single Family (R-1) zone to the Heavy Commercial Planned Unit Development (C-4 PUD) zone; Establishment of the Fulton Avenue Planned Unit Development (PUD), including PUD Guidelines and a PUD Schematic Plan; Tentative Parcel Map to subdivide one parcel into two (2) parcels; Subdivision Modifications to allow non-standard streets and elbows rezoning and tentative map for the Fulton Avenue Development project (formerly Sacramento Trapshoot Club).

In March 2007, the County of Sacramento Environmental Management Department approved the Final Implementation Plan for the remediation of the Fulton Avenue Development project site (formerly Sacramento Trapshoot Club).



In May 2007, Teichert Construction was awarded the contract in the amount of \$3,455,048 for the site remediation and grading associated with the development of the 20 acre site.

The Fulton Avenue Development Project consists of two phases. Phase I (B18333203) consists of implementation of the remediation plan and provides a buildable site to Mel Rapton Honda. Phase II (D18333005) consists of building the public infrastructure such as roads, utilities, traffic signal, water main, and sewer lift station improvements and other improvements necessary to access the site. Construction of Phase II will begin in early February 2008.


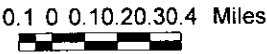
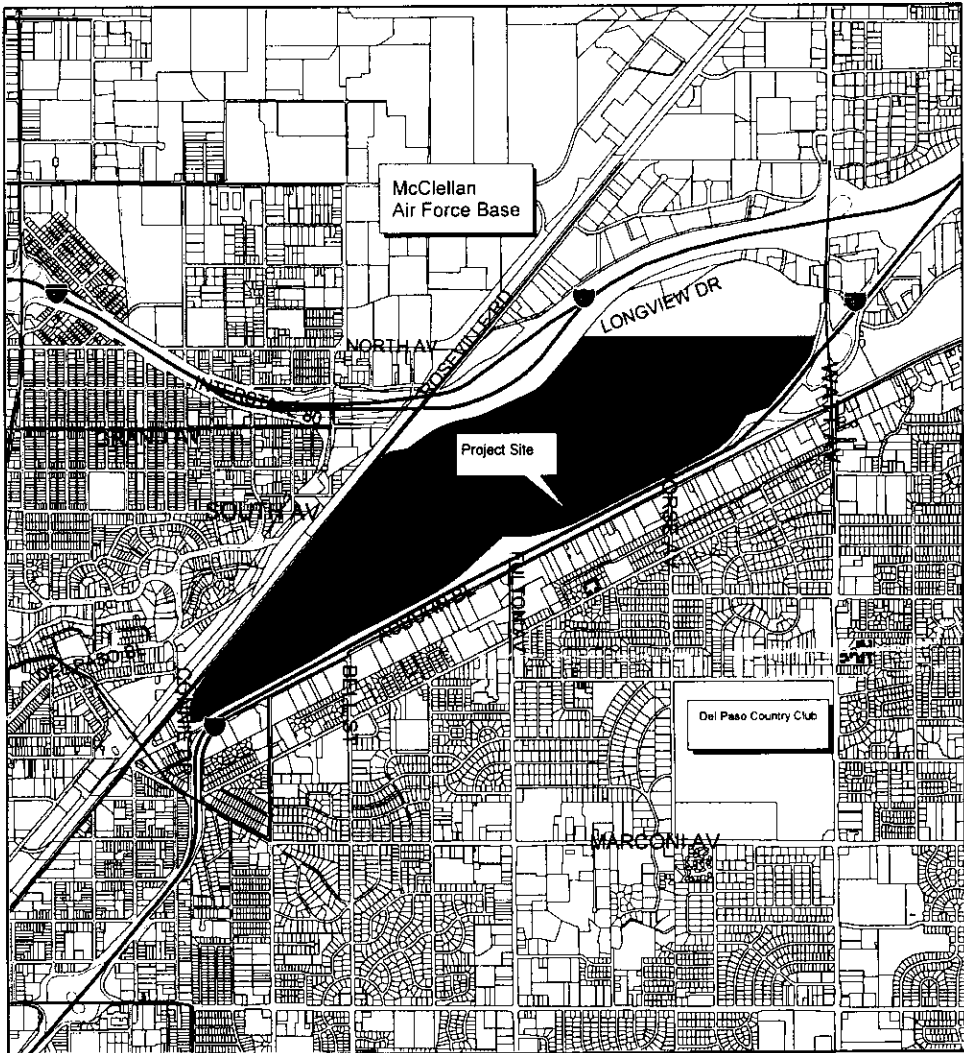
Phase 1 improvements were completed in December 2007.





**Attachment 2**

**Location Map**



City of Sacramento  
Development Services  
February 3, 2006

**Vicinity Map**  
**Fulton Avenue**  
**Development**  
**P06-012**





**City of Sacramento**

CHANGE ORDER

Contract # & Date: 2007-074 Budget # : \_\_\_\_\_  
 Purchase Order #: TCB3744912 Change Order No.: 6 - FINAL

Sacramento, California

DECEMBER 20, 2007

TO: TEICHERT CONSTRUCTION Contractor

**CONTRACT FOR:**

Upon mutual acceptance of this document by the City of Sacramento, hereinafter referred to as "City", and your firm, hereinafter referred to as "Contractor", in accordance with the terms and conditions of the original contract documents, you are hereby directed to make the following change or changes for the consideration set forth below:

**Description:**

SEE EXHIBIT A

The original contract sum was	<u>\$ 3,455,048.00</u>
Net change by previous Change Orders	<u>\$ -270,866.31</u>
The contract sum prior to this Change Order was	<u>\$ 3,184,181.69</u>
The contract sum will be (increased) (decreased) (unchanged) by this Change Order	<u>\$ 195,304.62</u>
New contract sum including all Change Orders	<u>\$ 3,379,486.31</u>

Contractor agrees that the amount of increase or decrease in the contract sum specified in this Change Order shall constitute full compensation for the work required by this Change Order, including but not limited to all compensation for the additional and/or revised work specified herein, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised work, including any changes, disruptions or delays in work schedules or in the performance of other work by Contractor. The time for performance of the contract will be changed by \_\_\_\_\_ calendar days (Increase) (Decrease) (Remain Unchanged) by reason of the performance of the work required by this Change Order. Except as herein above expressly provided Contractor further agrees that the performance of the work specified in this Change Order or the rescheduling of other project work made necessary by this Change Order, shall not constitute a delay which will extend the time limit for completion of the work as said term is used in the contract between the City and Contractor for the project.

Approval Recommended By:

Approved As To Form By:

\_\_\_\_\_  
 Project Manager  
 Approved By:

\_\_\_\_\_  
 City Attorney

\_\_\_\_\_  
 Contractor  
 Approved By:

Attested By:

\_\_\_\_\_  
 City Manager

\_\_\_\_\_  
 City Clerk



## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **CHANGE ORDER: FULTON AVENUE DEVELOPMENT PHASE I (B18333203)**

#### **BACKGROUND**

- A. In 2002, the City Council directed staff to examine potential alternatives for the "highest and best" uses for the 21-acre Sacramento Trapshoot Club Site adjacent to Haggin Oaks Golf Course. In 2004, Mel Rapton Honda, currently located on Fulton Avenue, submitted a written request to the City to lease a portion of the existing property. An Exclusive Rights to Negotiate was executed on June 1, 2004, between the City and Mel Rapton Honda.
- B. In July 2004, the City initiated a process under the regulatory oversight of the County of Sacramento Environmental Management Department and the California Regional Water Quality Control Board (Board) wherein the contamination of the site would be characterized and appropriate remediation would be developed and ultimately implemented.
- C. In July 2005, the City initiated the process of pursuing various permits from the U.S. Army Corps of Engineers and the U.S. Fish & Wildlife Service associated the on-site wetlands and related habitat.
- D. On May 23, 2006 the City Council approved the Community Reinvestment Capital Improvements Program (Resolution #2006-365) and directed that \$6.4 million for bridge loan funding be directed towards the remediation and development of the Fulton Avenue Development Project.
- E. On June 30, 2006, the lease to the Sacramento Trapshoot Club was terminated.
- F. On December 12, 2006 the City Council approved the Conditions Precedent Agreement between the City of Sacramento and Mel Rapton Honda that memorializes the parties' progress in negotiating a lease and commits the parties to perform specified tasks.
- G. In January 2007, the City Council approved the Environmental Determination: Environmental Impact Report; Mitigation Monitoring Plan; General Plan Amendment to re-designate 20± (twenty) gross acres from Parks, Recreation and Open Space to Heavy Commercial/Warehouse; Rezone of 20± (twenty) gross acres from the Single Family (R-1) zone to the Heavy Commercial Planned Unit



Development (C-4 PUD) zone; Establishment of the Fulton Avenue Planned Unit Development (PUD), including PUD Guidelines and a PUD Schematic Plan; Tentative Parcel Map to subdivide one parcel into two (2) parcels; Subdivision Modifications to allow non-standard streets and elbows rezoning and tentative map for the Fulton Avenue Development (former Sacramento Trapshoot Club).

- H. In March 2007, the County of Sacramento Environmental Management Department approved the Final Implementation Plan for the remediation of the Fulton Avenue Development project site (formerly Sacramento Trapshoot Club).
- I. In May 2007, Teichert Construction was awarded the contract for the site remediation and grading associated with the development of the 20 acre site.
- J. The Fulton Avenue Development Project consists of two phases. Phase I consists of implementation of the remediation plan and provides a buildable site to Mel Rapon Honda. Phase II consists of building the public infrastructure such as roads, utilities, traffic signal, water main, and sewer lift station improvements and other improvements necessary to access the site.
- K. Phase I improvements were completed in December 2007.
- L. The purpose of the resolution is to approve the change order to the Teichert Construction contract in the amount of \$195, 304.62.

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

- Section 1. The City Manager is authorized to execute the change order in the amount of \$195,304.62 with Teichert Construction for the Fulton Avenue Development Phase I Construction (CIP# B1833203).

