

RESOLUTION NO. 2019-0083

Adopted by the Sacramento City Council

March 26, 2019

Authorizing Agreement and Funding for Improvements to Sacramento Convention Center

BACKGROUND

- A. On March 9, 2010 the City Council in City Resolution No. 2010-0125 approved a design-assist method of delivery for the CCT renovation because it allowed for the designer and contractor to work in a coordinated manner, increasing efficiency and allowing for the successful delivery of the project on schedule and within budget.
- B. On August 10, 2010, City Council approved the selection of Kitchell CEM, Inc. in City Resolution No. 2010-471 for the CCT Renovation Project.
- C. On October 18, 2016, City Council directed staff to proceed with the design of the Community Center Theater (CCT) Renovation Project.
- D. On January 24, 2017, City Council approved Resolution No. 2017-0036, which allows for issuance of bonds for the Sacramento Convention Center, CCT and Memorial Auditorium projects to be used to cover design and other costs associated with this project.
- E. On September 25, 2018, City Council authorized the issuance and sale of the 2018 Transient Occupancy Tax Revenue Bonds in an amount not exceeding \$350 million to finance various capital improvement projects including the CCT.
- F. The CCT renovation is needed to address compliance with Americans with Disabilities Act requirements, improved patron experience including better sound and acoustics, and theater operations and functionality. These renovations will address longstanding deficiencies and will enable the building to host more events in the future.
- G. Given the increase in the not-to-exceed amount of the contract from \$1,434,532 for pre-construction services to \$72,875,000 for the construction, staff is requesting that the City Manager's authority to approve single change orders specified in City Code section 3.60.240 for the City's Agreement be increased from \$100,000 to \$500,000, and that the cumulative limitation on the City Manager's change order authority be increased to \$10,000,000 with Kitchell CEM (Agreement No. 2017-0781).

H. City Code Section 3.60.240 authorizes the City Council to modify the limitations of the City Manager's authority to issue change orders for a specific identified contract where the City Council finds that the circumstances are such that a variance is appropriate.

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

- Section 1. The City Manager or the City Manager's designee is authorized to execute Supplemental Agreement No. 5 to Contract No. 2017-0781 with Kitchell CEM in an amount not to exceed \$72,875,000, for the Guaranteed Maximum Price (GMP) of the construction of the Sacramento CCT Renovation Project, for a new total amount not to exceed \$74,309,532.
- Section 2. The City Manager's authority to approve single change orders without Council authorization for City Agreement No. 2017-0781 is increased from \$100,000 to \$500,000, and the cumulative limitation on the City Manager's change order authority is increased to \$10,000,000.
- Section 3. The City Manager or the City Manager's designee is authorized to execute Supplemental Agreement No. 3 to Contract No. 2017-0218 with DLR Group for an amount not to exceed \$1,786,675 for construction administration services of the CCT, for a new total amount not to exceed \$8,996,353.

Adopted by the City of Sacramento City Council on March 26, 2019, by the following vote:

- Ayes: Members Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg
- Noes: None
- Abstain: None
- Absent: Member Ashby

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2019.04.08 12:09:21 -07'00'
Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.