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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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TECHNICAL SERVICES
DIVISION

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October 9, 2000

APPROVED

OCT 24 2000

OFFICE OF THE
CITY CLERK

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: APPROVAL OF CHANGE ORDER NO. 2 IN THE AMOUNT OF \$2,426,002 TO UNGER CONSTRUCTION COMPANY FOR MEADOWVIEW CITY SERVICE COMPLEX- (PN: YB56) AND APPROPRIATION OF FUNDS

LOCATION AND COUNCIL DISTRICT:

2812 Meadowview Road, Council District 8.

RECOMMENDATION:

This report recommends that the City Council:

- Approve Change Order No. 2 in the amount of \$2,426,002 with Unger Construction Company; and
- Adopt the attached resolution approving a fund appropriation in the amount of \$150,000 to Meadowview City Service Complex (PN:YB56); and
- Reset City Manager change order approval.

CONTACT PERSON: Yadi Kavakebi, Project Manager, 264-8432

FOR COUNCIL MEETING OF: October 24, 2000

SUMMARY:

Fast track construction contract for Meadowview City Service Complex was awarded to Unger Construction Company on May 25, 2000 in the amount of \$14,699,669. Change Order No. 2

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will compensate the contractor for modifications and additional construction work that was mostly added for future expansion capabilities and other additional upgrades during the fast track construction process.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

- On May 3, 1994, the City Council, by approving Resolution 94-264, resolved to: “Serve the public good by providing staff direction in long-term planning for the development of alternative solid waste facilities. The 28th Street Landfill will become ‘Open Space/Park’, be designated as Sutter’s Landing Park, and all Solid Waste activities will be relocated no later than the Year 2001.”
- On February 27, 1996, Council approved Resolution 96-094 establishing a Capital Improvement Project (CIP) for the Corporation Master Plan.
- On October 12, 1998, Council approved the purchase of the former CHP site and authorized a design agreement with Dreyfuss-Blackford Architects.
- On February 16, 1999, Council approved Resolution 99-064 suspending competitive bidding for construction of Meadowview City Service Complex and authorizing the City Manager to solicit proposals for a fast track construction contract.
- On May 25, 1999, The City Council award the Meadowview City Service Complex Services Fast Track Construction Contract to Unger Construction Company for Guaranteed Maximum Price (GMP), in the not to exceed amount of \$14,699,669.
- The engineers estimated construction cost for Meadowview City Service Complex was \$17,664,716. The construction contract for Guaranteed Maximum Price (GMP), in the not to exceed amount of \$14,699,669, was negotiated with Unger Construction by :
 1. Identifying cost saving value engineering items.
 2. Reducing the initial length of construction period.
 3. Modifying the project phasing by relocating the existing State’s OES offices to the current site, which saved time and money.
 4. Utilizing Job Corp forces for demolition and other construction activities at no cost to the City.

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- Purchase agreement of the property from state of California stipulated that the City will clean the lead-contaminated soil and the clean-up cost would be deducted from the purchase price of \$613,000. The clean-up work was bid under separate package. Low bids, including additional construction work was in excess of \$690,000.

Due to the impact on removal cost, impact on project schedule, and the inefficiencies/methods of clean-up plans that were presented to the staff, the City opted to clean up the project by removing the lead-contaminated soil from the site. On October 19, 1999 Change Order No. 1, in the amount of \$272,000, was issued to Unger Construction Company for Removal of Lead-contaminated soil from the project site. This amount, plus additional costs, were refunded to the City.

Change Order No. 2 will compensate the contractor for the design revisions and modifications that in summary impacts:

- Significant cost savings in future expansion of Meadowview City Service Complex.
- Upgrading and enhancing the Meadowview community, thus reducing the visual impact of the project at Meadowview road.
- Improving the traffic and reducing the noise in Meadowview community.
- Upgrading the buildings and utilities to meet or exceed the regulatory agencies for efficiencies in staff utilization, energy and water consumption.

FINANCIAL CONSIDERATIONS:

- Funding appropriations of \$150,000 will be made from 420-500-CD46-4820 (Facility Maintenance, Fleet Environmental) to compensate for water conservation equipment used in this project.
- The current unobligated fund amount for CIP YB56 is \$5,113,688, which is adequate to award the Change Order No. 2 to Unger Construction Company.

ENVIRONMENTAL CONSIDERATIONS:

Council ratified the Negative Declaration and adopted the Mitigation Reporting Plan on October 12, 1998

POLICY CONSIDERATIONS:

The action requested herein is consistent with Sacramento City Code, Title 3.

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ESBD CONSIDERATIONS:

The total ESBE awards including change orders for Meadowview City Service Complex project is in excess of 24.6% of the total GMP, which exceeds the City goal of 20%

Respectfully submitted,



Duane J. Wray
Technical Services Manager

RECOMMENDATION APPROVED:



 ROBERT P. THOMAS
City Manager
P/CIP/YB56/Council/YB56 Unger CO#2(101000)

Approved:



Michael Kashiwagi
Director of Public Works

APPROVED
OCT 24 2000
OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2000-603

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION APPROVING CHANGE ORDER NO. 2 TO THE
UNGER CONSTRUCTION COMPANY (PN: YB56)
AND APPROPRIATING FUNDS**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

- 1. Change Order No. 2 to the construction contract with Unger Construction Company in the amount of \$2,426,002.00 is hereby ratified.
- 2. Reset City Manager supplemental agreement approval.

From	To	Amount
420-500-CD46-4820	415-500-YB56-4820	\$150,000

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____