



DATE: May 22, 2018

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Citywide Trash Capture, Phase I,
Project 16-53 – Various Actions**

RECOMMENDATION

1. Increase revenues and appropriations for \$120,000 to Citywide Trash Capture Device, Phase I, Project 16-53. (Five votes required)
2. Approve additional construction contingency in the amount of \$120,000 and authorize the City Manager to execute an amendment to the agreement with JMB Construction, Inc., for Citywide Trash Capture Device, Phase I, Project 16-53.
3. Authorize the City Manager to execute a reimbursement agreement with Intuit, Inc., for up to \$120,000, for the installation of a trash capture device at 2700 Coast Avenue and 2650 Casey Avenue.

BACKGROUND

As part of Citywide Trash Capture, Phase I, the City is installing a large trash capture device in the office park just west of Shoreline Sailing Lake (see Figure 1). The project will be installed on two parcels, located at 2700 Coast Avenue and 2650 Casey Avenue, owned by Charleston Properties and leased to Intuit, Inc. (Intuit). City staff has been coordinating the project impacts with both the property owner and Intuit for over a year, including the proposed location of the unit.

In January 2018, the City awarded the construction contract to JMB Construction, Inc. (JMB) in the amount of \$1,377,020, including a \$120,000 construction contingency. In April 2018, the City amended the contract with JMB and increased the construction contingency by \$210,000 for work associated with an AT&T change order, bringing the total contract funding to \$1,587,020.

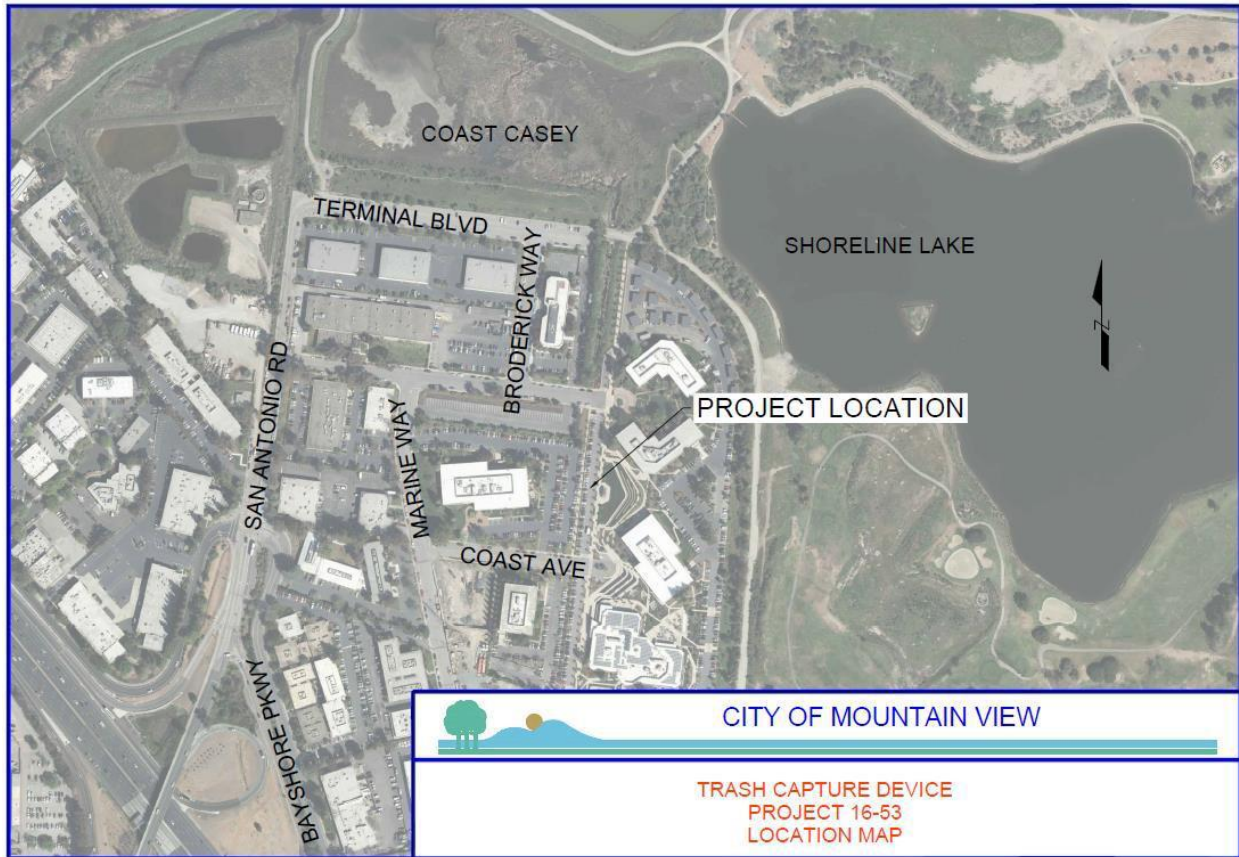


Figure 1 – Location Map

ANALYSIS

In order to install the trash capture device along the City storm drain in Intuit’s parking lot, several AT&T communication lines must be relocated. JMB performed potholing to determine depths of existing utilities prior to installation of the AT&T lines. During the exploratory work, several Intuit communication lines were discovered that may be connected to AT&T’s lines.

Intuit staff was unaware of the presence of these lines and has requested that the City suspend all construction work on the project to provide them with time to do more exploration of their utilities, determine impacts to their operations, and develop a contingency plan in case any power or communication line may be damaged. Intuit has agreed to reimburse the City for the costs of delay resulting from their request to suspend construction.

The recommended actions would authorize the City Manager to execute a reimbursement agreement whereby Intuit would reimburse the City for the cost of

suspending JMB's work from May 7, 2018 until September 10, 2018. Assuming typical weather patterns in the fall, the project would be complete in late November 2018. The new construction schedule does not impact the City's potential to meet regulatory trash reduction goals.

JMB has provided the breakdown of the additional costs to include:

- Fifty-Six Thousand Dollars (\$56,000) for modifying construction means and methods to implement pre wet-weather protection measures, and escalation in labor and material costs.
- Forty-Three Thousand Two Hundred Dollars (\$43,200) for premium overtime charges to facilitate crews working 10-hour shifts, 6 days a week. JMB would only seek compensation for the difference between overtime and regular time on the labor charges.
- Twenty Thousand Dollars (\$20,000) for contingency. Should rain events occur, JMB is requesting that the downtime and cleanup operations be covered on a time-and-material basis.

The City will establish an agreement with Intuit to reimburse the City for up to \$120,000 (rounded) for the delay to JMB. Staff considers this a reasonable cap on the additional costs associated with the delay. However, in the event that staff anticipates costs will exceed this cap, staff will work with Intuit to recover the additional costs.

The restart date includes provisions for AT&T to relocate their lines in June and July, and allows time for Intuit to hold their private summer events in August before the major excavation for the trash capture device begins.

FISCAL IMPACT

Citywide Trash Capture, Phase I, Project 16-53, is funded with \$2,450,000, including \$2,000,000 from the Wastewater Fund, \$200,000 from the Construction/Conveyance Tax Fund, and \$250,000 from the Storm Drain Construction Fund. The recommended actions would appropriate \$120,000 to Project 16-53, with reimbursement of actual costs up to \$120,000 by Intuit.

If the recommended actions are approved, total project funding would be \$2,570,000, and the JMB Construction, Inc. contract amount would be \$1,707,020.

ALTERNATIVES

1. Do not provide the additional funding, which would not permit staff to meet Intuit’s request to suspend construction, and to continue construction work immediately on the project to reduce the contractor’s delay claims.
2. Modify the terms of the agreement with Intuit.
3. Provide other direction.

PUBLIC NOTICING – Agenda posting and a copy of the Council report to Intuit.

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LA/JA/2/CAM
937-05-22-18CR-E-1

cc: PWD, APWD – Solomon, PCE – Au, PCE – Macaraeg, AE – Gabon, AAI – Goedicke, AAI – Doan, FASD, AFASD, F/c (16-53)