



**DATE:** June 24, 2014

**CATEGORY:** Consent

**DEPT.:** Public Works

**TITLE:** **Police/Fire Administration Building Refurbishments, Project 12-28 – Amend Construction Contract**

### **RECOMMENDATION**

Authorize the City Manager to execute an amendment to the construction contract with Eternal Construction of Burlingame, adding an \$87,400 construction contingency for a total not-to-exceed contract amount of \$758,500.

### **BACKGROUND**

On May 20, 2014, the City Council approved the construction contract award to Eternal Construction for \$671,100 and appropriated additional funding of \$54,000 for the Police/Fire Administration Building Refurbishments, Project 12-28. The project scope includes enclosing an exterior courtyard to create a new conference room; updating the heavily used auditorium; remodeling the arrest, intake, booking and property, and evidence processing areas; and updating public and staff restrooms and the front entry plaza to meet accessibility requirements.

### **ANALYSIS**

While the May 20, 2014 staff report included a construction contingency in the estimated project cost, staff inadvertently omitted a recommendation to include the contingency in the construction contract. The recommended action would include a 13 percent construction contingency in the amount of \$87,400. The recommended contingency is higher than the typical 10 percent contingency due to the uncertainties inherent in building remodel projects. Construction contingencies allow minor modifications and additions to the project scope during construction without having to stop or delay work to return to Council to amend the construction contract.

The estimated project cost is:

Construction	\$ 671,100
Construction Contingency (13%)	87,400
Furniture, Fixtures, Temporary Facilities (including EOC and administration area improvements)	57,000
Architectural and Engineering Design Services	89,500
City Project Management and City Inspection	90,000
Inspection and Testing	5,000
Printing, Permits, etc.	<u>13,000</u>
Subtotal	1,013,000
City Administration @ 6.5% (for CIP 12-28 only)	<u>55,000</u>
TOTAL PROJECT COST	<u>\$1,068,000</u>

Contract execution is currently under way. Construction is scheduled to begin in July 2014 and be completed in early 2015.

### **FISCAL IMPACT**

There are sufficient funds in the project for the project contingency and contract amendment.

### **ALTERNATIVES**

1. Direct staff to return to Council if additional funding is required with specific known change order items and costs.
2. Provide other direction.

**PUBLIC NOTICING** – Agenda posting.

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