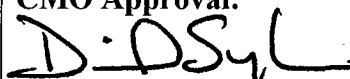


CITY COUNCIL ACTION REQUEST

Department(s): Public Works Airport	CEQA: Resolution Nos. 67380 and 71451, File No. PP16-089	Coordination: City Attorney's Office and the CMO – Budget Office	Dept. Approval: /s/ Barry Ng /s/ John Aitken
Council District(s): Citywide			CMO Approval: 

SUBJECT: CONTINGENCY INCREASE FOR 8288 – MINETA SAN JOSE INTERNATIONAL AIRPORT JETBRIDGES AT GATE 29 AND GATE 30

RECOMMENDATION:

Approve an increase to the contingency for the 8288-Mineta San José International Airport Jetbridges at Gate 29 and Gate 30 project in the amount of \$704,080 for a total contingency amount of \$1,584,180.

BASIS FOR RECOMMENDATION:

On February 28, 2017, the City Council awarded the contract for the 8288 – Mineta San José International Airport (SJC) Jetbridges at Gate 29 and Gate 30 project to Hensel Phelps Construction Co. (Contractor) in the amount of \$8,801,000 with a 10 percent contingency in the amount of \$880,100. Per the award memo, the Director of Public Works is authorized to issue any and all change orders up to the amount of the contingency.

The Jetbridges project is intended to add two new gates in Terminal B, by providing an enclosed boarding corridor that allows passengers to board and disembark an aircraft without exiting onto the aircraft apron.

The airline that will be using these two new gates has requested that they be available two months (October 2017) earlier than required per the original contract schedule (December 2017) to accommodate new flights that have been scheduled to arrive at SJC. Staff has directed the Contractor to implement an acceleration plan to meet this earlier beneficial use date. The estimated cost of acceleration was proposed by the Contractor as \$704,080 and staff determined this to be reasonable. The acceleration will be incorporated into the contract via a change order(s).

Current approved and pending change orders are anticipated to exceed the authorized contingency amount. In order to provide the Contractor payment for acceleration and meet the beneficial use date, it is requested that Council increase the project contingency in the amount of \$704,080. Upon approval of this contingency increase, the Director of Public Works will execute the change order(s).

No additional funds will be required for the acceleration expense due to staff delivery cost savings. These costs were reduced by utilizing airport staff (from Airport's General Fund) to provide additional onsite project management in addition to the Public Works project management team and streamlining the Public Works inspection process to incorporate multiple inspections in a single visit. Consequently, this recommendation will not cause an increase to the project budget, therefore, the appropriations will not require adjustments.

COST AND FUNDING SOURCE:

Fund #	Appn #	Appn. Name	Total Appn.	Amt. of Recommendation	2017-2018 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No)
527	7805	Terminal B Gates 29 & 30	\$1,201,000	\$704,080	729	6/20/17, 29962
Total Current Funding Available			\$1,201,000	\$704,080		

FOR QUESTIONS CONTACT: Michael O'Connell, Deputy Director of Public Works at 408-535-8300.