



CITY COUNCIL ACTION REQUEST

Department(s): Public Works	CEQA: Resolution No. PP15-112.	Coordination: City Attorney's Office, CMO – Budget Office, and PRNS	Dept. Approval: /s/ Matt Cano
Council District(s): Citywide			CMO Approval: <i>[Signature]</i> 5-25-18

SUBJECT: CONTINGENCY INCREASE FOR 7274 – WILLOW GLEN COMMUNITY CENTER IMPROVEMENTS

RECOMMENDATION:

Approve an increase to the contingency for the 7274 - Willow Glen Community Center Improvements project in the amount of \$40,000 for a total contingency amount of \$118,400 thereby increasing the contingency from 10% to 15%.

BASIS FOR RECOMMENDATION:

On December 22, 2016, the Director of Public Works awarded the contract for the 7274 – Willow Glen Community Center Improvements project to Integra Construction Services Inc. (Contractor) in the amount of \$694,791. Although the City's contingency policy (Council Policy No. 1-18, entitled "Operating Budget and Capital Improvement Program Policy") allows a contingency of 15% for building renovation projects, this project only had a 10% contingency in the amount of \$78,400 due to budget constraints. 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 Community Center project is intended to repair and replace air conditioning and heating controls including pumps and valves. Additionally, the work also involved replacement of windows in the main building, classroom, and multipurpose room. The project was necessary to enhance the comfort level of the community center patrons.

The consultant Alfa Tech Consulting Engineers Inc. was tasked with providing design criteria for energy efficient replacement windows in the main building, classrooms, and multipurpose room.

During construction it was determined that the scope of work did not include case/trim work, caulking, and painting for 68 interior windows. Staff has determined that an additional contingency amount of \$40,000 to be reasonable to complete the work. About 90% of the requested contingency increase will be allocated for these items and 10% will be allocated to address any remaining unforeseen conditions. This work will be incorporated into the contract via a change order(s).

This recommendation will not cause an increase to the overall project budget since funds will be transferred from staff costs savings to the additional construction contingency. 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)
375	7558	Willow Glen Community Center Improvements	\$ 204,000	\$40,000	711	2/13/18, 30070
Total Current Funding Available			\$ 204,000	\$40,000		

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