



## Legislation Text

File #: 2023-0192, Version: 1

### Report to Mayor and City Council

Tuesday, April 04, 2023

Consent

#### **SUBJECT:**

**CONSIDER APPROVAL OF AMENDMENT NO. 1 TO CONSTRUCTION CONTRACT WITH JA URBAN, INC. PROVIDING FUNDS AND TIME EXTENSION FOR ADDITIONAL WORK FOR PROJECT NO.1656 - COMMUNITY CENTER UPGRADE**

#### **I. SUMMARY**

Project No. 1656 - Community Center Upgrade is part of the Capital Improvement Program (CIP) that consists of reconstruction of the restrooms to ensure compliance with current Americans with Disabilities Act (ADA) and California Building Code (CBC) standards. On October 19, 2021, the City Council awarded a construction contract to JA Urban, Inc. for Project No. 1656: Community Center Restroom upgrade for a not to exceed amount of \$1,561,857.00 with a construction contingency in the amount of \$234,278.55. A Notice to Proceed was issued on March 9, 2022 and the contractor started the work on March 20, 2022.

As of March 2023, the project is significantly complete. The project was affected by supply chain related issues and inflation which have resulted in construction delays and price increases of construction materials. The supply chain issues, inflation, additional upgrades and the unexpected construction challenges have depleted the construction contingency allocated to this project which necessitates the request for additional funding.

The available budget for the project for FY22/23 is \$1,900,000.00 which is sufficient to cover the additional funding needed. Staff requests that the City Council approve Amendment No. 1 (Exhibit No. 1) to the Construction Contract to increase the contract sum from \$1,561,857.00 to \$1,856,830.80, expand the scope of work for the construction component of the project, and extend the performance schedule for completion of all work.

#### **II. RECOMMENDATION**

1. APPROVE Amendment No. 1 to the Construction Contract with JA Urban, Inc. for Project No. 1656 - Community Center Upgrade, to cover the cost of the additional work

and the construction delays caused by design changes due to site conditions and supply chain issues.

2. AUTHORIZE the expenditure of construction contingency in the amount of (2%) \$37,137.00 for any other work that may be necessary to complete the project.
  
3. AUTHORIZE the Mayor to execute proposed Amendment No. 1 to the Construction Contract with JA Urban, Inc. following approval as to form by the City Attorney.

1.

### **III. ALTERNATIVES**

1. DO NOT APPROVE the above recommendations, however, this alternative may not allow for the full completion of the scope of work for the project as planned.
  
2. Take another action the City Council deems appropriate consistent with the requirements of the Law.

### **IV. BACKGROUND**

On October 19, 2021, the City Council awarded a construction contract to JA Urban. Inc. for Project No. 1656: Community Center Upgrade for a not to exceed amount of \$1,561,857.00 with a construction contingency in the amount of \$234,278.55. The Community Center Upgrade included the removal and reconstruction of five sets of restrooms to ensure that all restrooms meet the current Americans with Disabilities Act (ADA) and California Building Code (CBC) standards. A Notice to Proceed was issued on March 9, 2022 for work to commence on March 21, 2022.

Since the start of construction, the scope of the project has experienced scope changes and material delays resulting from supply chain issues; the project has also faced some additional challenges during construction resulting in certain project delays. The additional scope resulting in project delays are the following:

- a. Concrete slab removal was assumed to be 5 inches thick but the actual slab was 9 inches thick.
  
- b. Water valves and framing changes due to an unforeseen grade beam interfering with new plumbing design.
  
- c. New door framing.

- d. Additional restroom accessories.
- e. Relocation of electrical conduits and boxes.
- f. Fire alarm modifications for restrooms B, C, and D.
- g. Additional wall furr-outs.
- h. Additional ceiling access doors.
- i. Cement boarding over block walls needed to complete the remodel.
- j. New floor and wall tile outside the restroom to match the remodel of the new restroom.
- k. Water fountains were replaced in other areas of the center to match the water fountains provided in the renovation.

City Council ratification and approval of the attached Amendment No. 1 to the Construction Contract with JA Urban, Inc., which includes six (6) change orders reflecting the above, will allow the project to be completed as contemplated. After four (4) of the six (6) change orders were approved for the amount of \$218,267.77, the funding needed to complete the remainder of the above additional work/building upgrades, and issues related to supply chain and inflation is \$76,706.15.

Staff requests that City Council approve Amendment No. 1 to the Construction Contract with JA Urban, Inc. which would increase the contract sum from \$1,561,857.00 to \$1,856,830.92 and extend the completion date to June 30, 2023. An additional construction contingency in the amount of \$37,137.00 (2%) for any unforeseen work is also requested.

There is sufficient budget of \$1,900,000.00 previously approved for this project to cover the above. Staff anticipates that the remaining work will be completed in June 2023, and staff will bring the item back to the City Council to accept the project as complete at that time.

## **V. FISCAL IMPACT**

The total construction bid amount for this improvement project was \$1,561,857.00. A construction contingency in the amount of \$234,278.55, representing 15% of the total construction bid, was also authorized, bringing to total authorized contract amount to \$1,796,135.50. Funds in the amount of \$1,900,000.00 for this project were included in the FY 22/23 budget which is sufficient to cover change orders 1 through 6, and the additional 2% construction contingency for unforeseen work that may be needed to complete the project. The requested additional fund would not have any impact on the City's General Fund. **VI.**

## **EXHIBITS**

1. Amendment No. 1 (pgs. 4-59)

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