



Legislation Text

File #: 16-243, Version: 1

Report Prepared by: John C. Sagin, Jr., AIA - Principal Architect

SUBJECT: Increase Contingency Percentage for Stephen Leonard Park Renovation, Project 115045

REPORT IN BRIEF

Authorizes approval to increase the contingency to 13% of the original construction contract amount, for a total of \$83,196.90 of additional work.

RECOMMENDATION

City Council - Adopt a motion increasing the contingency to 13% for the Stephen Leonard Park Renovation Project 115045; and, authorizing the City Manager to sign the necessary documents.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Charter of the City of Merced, Article XI, Section 1109 - Contracts on Public Works, and Merced Municipal Code Chapter 3.04, Article IV - Public Works Contracts. Every project involving an expenditure of more than sixty three thousand and fifty-four dollars (\$63,054) for the construction or improvements of public buildings, works, streets, drains, sewers, utilities, parks, and playgrounds shall be let by contract to the lowest responsive and responsible bidder after notice by publication in the official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

DISCUSSION

The project scope consists, in general, of the installation of a water park, skate park, climbing rock, playground equipment, shade structure, and remodeling of the existing restroom. The project also includes lighting, modification of the sprinkler system, water lines, removal and replacement of

sidewalks, removal and replacement of concrete walks, and underground drainage system. The project is located at Stephen Leonard Park, at 6th and T Streets, within the City of Merced.

Construction began in January 2016, and consistent with these types of projects, a number of unexpected conditions were encountered in the field and additional items were necessary to better serve the community. Two change orders in the amount of \$62,907.86 were issued to Taylor Backhoe in March & May 2016. Change order #1 included the installation additional drain pipe between the restrooms, drill through the wall for mounting the sprinkler controller, relocate restroom sewer line, additional excavation due to tree routes, and off hauling the unsuitable native soil. Change Order #2 included the removal of additional sidewalk, installation additional sidewalk, additional site grading, repair of sprinkler and irrigation lines due to the tree routes, additional expansion joint filler, colored acid stain at the splash park, and metal security plates for the restrooms.

The Engineer's Estimate for construction, out of the \$828,775 HRP Grant, was originally \$650,000. On December 21, 2015, Council awarded the project to the lowest bidder, Taylor Backhoe Service, Inc., in the amount of \$639,976.22. At that time the following Construction Budget was approved:

Construction	\$ 639,976.22
Contingency (10%)	\$ 63,997.62
Construction Engineering, Testing, Inspection	\$ 84,081.46
Preliminary Engineering / Design	\$ 40,719.70
Total	\$ 828,775.00

At the December 21, 2015, meeting, Council authorized the City Manager to approve change orders for up to 10% of the total contract. A final change order is necessary to complete the project. Staff is requesting Council approve the contingency increase to 13%, which equates to \$83,196.90, so that the remaining work can be completed prior to the grant expiration on June 30, 2016. The revised proposed budget is as follows:

Construction	\$ 639,976.22
Contingency (13%)	\$ 83,196.90
Construction Engineering, Testing, Inspection	\$ 64,885.18
Preliminary Engineering / Design	\$ 40,719.70
Total	\$ 828,775.00

HISTORY AND PAST ACTIONS

On January 5, 2015, Council accepted a grant from the Housing Related Park (HRP) Program with the Department of Housing and Community Development (HCD) in the amount of \$828,775 for the design and construction of the Stephen Leonard Park Renovation Project.

On September 21, 2015, Council rejected all bids for the Stephen Leonard Park Renovation Project due to the one bid received being more than \$250,000 over the project budget.

On December 21, 2015, Council awarded the construction contract to Taylor Backhoe Service, Inc., in the amount of \$639,976.22.

IMPACT ON CITY RESOURCES

This project was established as a Capital Improvement Project and account 424-1201-647.65-00-115045 contains sufficient funding to complete the project.