

APPROVED
MAR 23 2011

REPORT OF GENERAL MANAGER

NO. 11-082

DATE March 23, 2011

BOARD OF RECREATION
and PARK COMMISS

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FRED ROBERTS RECREATION CENTER (W.O. #E170943F) - CONTRACT NO. 3267 - PARTIAL ACCEPTANCE AND PARTIAL RELEASE OF RETENTION

R. Adams	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<u>MS</u>
V. Israel	_____		

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the partial acceptance of work and the partial release of the retention monies, for the work performed on the Fred Roberts Recreation Center (W.O. #E170943F) project under Contract No. 3267, as outlined in the Summary of this Report, subject to the satisfaction of conditions listed under Article 48 of the General Conditions of the Contract;
2. Authorize the Board Secretary to furnish AWI Builders, Inc., with a Statement of Partial Completion indicating the release of \$192,041.51 or approximately 37% of the anticipated retention monies withheld to date under Contract No. 3267, subject to satisfaction of conditions listed under Article 48 of the General Conditions of the Contract; and,
3. Authorize the Department's Chief Accounting Employee to release \$192,041.51 or approximately 37% of the anticipated monies withheld to date under Contract No. 3267 to AWI Builders Inc., upon the issuance of the Statement of Partial Completion, subject to the satisfaction of conditions listed under Article 48 of the General Conditions of the Contract.

SUMMARY:

On November 7, 2008, the Board awarded a construction contract (Contract No. 3267) in the amount of \$3,591,000 to AWI Builders, Inc., under Board Report No. 08-295, for the construction of the new Fred Roberts Recreation Center (W.O. #E170943F). The Board of Recreation and Parks

REPORT OF GENERAL MANAGER

PG. 2 NO. 11-082

executed Contract No. 3267 on December 11, 2008. The Notice to Proceed was issued December 22, 2008.

The scope involved the removal of existing outdoor asphalt concrete basketball and paddle tennis courts; earthwork to provide a certified building pad; the construction of a new, approximately 9,200 square feet, one-story indoor gymnasium with offices and restrooms; and, site landscaping and hardscape.

On January 5, 2009, due to the State funding suspension, construction was put on hold. Construction was restarted on April 27, 2009 when funding became available again.

At the time of award, there were insufficient funds available to award the bid Additive Alternates; therefore, all Additive Alternates were excluded from the contract. On July 14, 2010, the Board of Recreation and Parks, through approval of Board Report No.10-188, authorized the Bureau of Engineering to negotiate and execute a change order, in the amount not to exceed \$1,500,000, to Contract No. 3267 for the additional work related to the Additive Alternates that were previously excluded from the construction contract.

The scope of work associated with Bid Additive Alternates numbers 1, 2 and 3, as defined in the original Fred Roberts Recreation Center - Bid Document is as follows:

Additive Alternate No. 1: Construct 2,413 square foot/one story new recreation center/annex building and courtyard.

Additive Alternate No. 2: Demolish existing one story 3,780 square foot recreation building.

Additive Alternate No. 3: Install an approximately 10,000 square foot exterior asphalt area for basketball and volleyball courts with electrical pull boxes for future outdoor lighting. The sports courts will be located within the area the existing recreation center now occupies.

On October 7, 2010 the Bureau of Engineering issued emergency Change Order No. 35 in the amount of \$1,300,000 to complete Additive Alternates 1, 2 and 3; and added an additional 12 months to the construction schedule. The scope of work involving Change Order No. 35 (additive alternates) is currently ongoing.

The construction of the gymnasium building (original construction scope awarded) is now complete and staff is recommending the partial acceptance of work and the partial release of the retention monies. A total of 41 Change Orders, at a cost of \$273,830.05 or 7.59% of the original award amount were issued to complete the gymnasium building. The partial cost of the gymnasium building is \$3,840,830.05 and the total contract amount is currently \$ 5,163,830.05

REPORT OF GENERAL MANAGER

PG. 3 NO. 11-082

To date, the City has withheld retention monies in an amount equal to 10% of the total base bid amount paid plus 10% of the gymnasium building change orders executed or \$384,083.01. Staff is recommending the release of \$192,041.51 or approximately 37% of this project's anticipated total retention funds. No release of retention for any work on the Bid Additive Alternates is recommended at this time.

Article 48 of the General Conditions of the contract states that the City may, if the work is progressing satisfactorily, release part of the retention of the work for which a statement of partial completion has been issued, provided that the following conditions have been met:

1. Partial final inspection corrections have been completed to the satisfaction of the Inspector;
2. The contractor submits a written request for release of retention which includes a verifiable valuation of the identified portions of the work covered by the statement of partial completion;
3. Impacted subcontractors, major suppliers and the contractor's surety all agree in writing to release retention;
4. If any minor corrections remain which do not directly affect operations or maintenance then twice the values of the remaining cleanup items shall be retained on each request for release; and,
5. The contractor signs a change order which specifically states the value of the retention being released.

Department staff has consulted with the Office of Contract Compliance concerning the status of the labor compliance requirements and Affirmative Action requirements on the project and, to date, there are no outstanding wage violations, and AWI Builders, Inc., is in compliance.

FISCAL IMPACT STATEMENT:

The majority of funding for the Fred Roberts Recreation Center was provided by a Proposition 40 grant and Proposition K; therefore, there was no impact to the Department's General Fund during construction. The operation and maintenance costs for the new Fred Roberts Recreation Center have been included in the Department's annual budget package for fiscal year 2011/2012.

This report was prepared by Jaime Contreras, Project Manager, BOE Recreational and Cultural Facilities Program; Reviewed by Neil Drucker, Program Manager, BOE Recreational and Cultural Facilities Program; Deborah Weintraub, Chief Deputy City Engineer, BOE), and Michael A. Shull, Superintendent, Planning and Development Division, Recreation and Parks.