



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: APRIL 23, 2024

DEPARTMENT: PUBLIC WORKS DEPARTMENT

FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR
JIM PIA, INTERIM CITY MANAGER

BY: JONATHAN ESTEBAN, ASSISTANT ENGINEER
ADRIANA ROBLES, PE, CFM, CITY ENGINEER

TITLE: CITY HALL 1st FLOOR BUILD BACK PROJECT NO. 8170
CHANGE ORDER NO. 3

RECOMMENDED MOTION:

A motion to approve a Resolution to:

1. Authorize the Interim City Manager to execute Change Order No. 3 to Premier Builders, Inc. for the City Hall 1st Floor Build Back Project No. 8170 in the amount of \$1,259,693, and authorize the Interim City Manager to execute all necessary documents related to Change Order No. 3; and
2. Authorize a \$400,000 allowance for construction contingencies for future change orders to the City Hall 1st Floor Build Back Project No. 8170; and
3. Approve the City's reallocation of American Rescue Plan Act funds (ARPA), in the amount of \$1,000,000 from project 3911.50.9086, Natividad Creek Silk Removal to Adaptations to City Hall project, 3911.50.8170 for this change order and construction contingencies.

EXECUTIVE SUMMARY:

On December 5, 2023, City Council awarded an emergency construction contract to Premier Builders, Inc. for the City Hall 1st Floor Build Back No. 8170 in the amount of \$1,859,138.00. During the City Hall Emergency Roof Repair work included the removal of the ceiling and roof decking which left office walls unstable and required them to be replaced. TEF Architectures provided revised plans to include details for new office walls and included new ADA restrooms.

Contract Change Order No. 3 for installation of new office walls, refurbishment of restrooms, installation of new ADA bathrooms, and corresponding changes to electrical and mechanical systems in the amount of \$1,259,693 is above the \$100,000 threshold requiring council approval, per Policy 75-1.

BACKGROUND:

On April 4, 2023, City Council awarded a contract to F C & Sons Roofing, Inc. for the City Hall Emergency Roof Repair Project, CIP 8170 in the amount of \$646,271 and Contract Change Order No. 1 for abatement of City Hall First Floor in the amount of \$412,031.

The scope for Contract Change Order No. 1 included abatement of asbestos containing fireproofing spray, demolition of T-bar ceiling, ceiling tiles, lighting, HVAC, flooring, and mastic within the first floor of city hall. Prior to the project all City staff and furniture were moved out of the city hall 1st floor abatement space.

On December 5, 2023, City Council awarded an emergency construction contract to Premier Builders, Inc. for the City Hall 1st Floor Build Back No. 8170 in the amount of \$1,859,138. The project scope included rebuild of all building elements that were removed during the abatement including HVAC, lighting, ceiling, and flooring.

After the abatement work, most office walls were unstable and required replacement. The City's architect, TEF Architects, revised the original plans to include the installation of new office walls, revised lighting and flooring, installation of new doors and storefronts, upgrade of restrooms and installation of new ADA restrooms. Design-build plans were prepared for new electrical and mechanical systems. Contract Change Order No. 3 is for completing all the work per revised plans in the amount of \$1,259,693.

Pursuant to Department Policy 75-1, City Council approval and authorization is required for Contract Change Orders exceeding \$100,000 or 10% of the original contract amount. On December 3, 2023, Resolution No. 22860 authorized 25% of contract amount for construction contingencies for an amount of \$464,784.50. There are enough remaining contingencies to approve Contract Change Order No. 3 for \$1,259,693. See table 1 below for a breakdown.

The remaining project funding for 3911.50.8170 – Adaptations to City Hall as of April 16, 2024, is approximately \$801,501.

Table 1: Construction Cost Request Breakdown

Description	Contract Amount
Original Contract	\$1,859,138.00
Change Order No. 1	\$0.00
Change Order No. 2	\$47,741.00
Change Order No. 3	\$1,259,693.00
TOTAL	\$3,106,879.00

CEQA CONSIDERATION:

The City of Salinas has determined that the proposed action is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15301).

STRATEGIC PLAN INITIATIVE:

This project addresses the current City Council's Goals of Operational Efficiency and Public Safety.

DEPARTMENTAL COORDINATION:

The Public Works Department is collaborating with Legal, Administration and Finance Departments.

FISCAL AND SUSTAINABILITY IMPACT:

With Council approval of the resolution, sufficient funding is available and appropriated within the identified ARPA project for Contract Change Order No. 3 and construction contingencies.

ATTACHMENTS:

Resolution