



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: AUGUST 22, 2023
DEPARTMENT: PUBLIC WORKS DEPARTMENT
FROM: DAVID JACOBS, P.E., L.S., PUBLIC WORKS DIRECTOR
BY: JONATHAN ESTEBAN, ASSISTANT ENGINEER
TITLE: SALINAS FIRE DEPARTMENT CITY HALL TENANT IMPROVEMENT, CIP NO. 9300

RECOMMENDED MOTION:

A motion to approve a Resolution to:

- 1) Authorize the City Manager to execute Contract Change Order No. 9 to Premier Builders Inc. for the Salinas Fire Department City Hall Tenant Improvement, CIP 9300, in the amount of \$3,858.00; and
- 2) Authorize the City Manager to execute all necessary contract change orders for overtime work and remaining work, as needed, to complete the project for a not to exceed of \$15,000; and
- 3) Transfer \$15,000 from 3911.45.9235 (ARPA) to CIP 9300.

EXECUTIVE SUMMARY:

On December 14, 2021, City Council approved Resolution 22266 awarding a construction contract to Premier Builders, Inc. for the Salinas Fire Department City Hall Tenant Improvement (TI), CIP 9300 in the amount of \$685,924.00. On February 7, 2023, City Council approved Resolution 22585 authorizing the execution of all outstanding contract change orders (CCO 1 – 6) and authorizing all necessary contract change orders for an additional not to exceed amount of \$45,000.

On April 4, 2023, City Council approved Resolution 22627 awarding a construction contract to FC & Sons Roof for the City Hall Emergency Roof Repair and Abatement Project. To complete the Fire Tenant Improvement Project prior to abatement, City staff is requesting the approval of Contract Change Order 9 and a budget transfer of \$15,000 to expedited project completion items such as flooring, overtime work, and other unforeseen components. Per Departmental Policy 75-1, change orders above the 10% construction contingency require council approval.

BACKGROUND:

The Salinas Fire Department City Hall Tenant Improvement (TI), CIP 9300, is making tenant improvements to the existing office spaces located in the City Hall West Wing that were previously demolished and temporarily encapsulated the asbestos-containing ceiling.

The Salinas Fire Department City Hall TI commenced on September 13, 2022, with an anticipated completion date of Spring 2023. On February 7, 2023, City Council approved Resolution 22585 authorizing the execution of contract change orders 1 – 6 (CCO 1 – 6) and authorizing all necessary contract change orders for an additional amount not to exceed \$45,000. Following Resolution 22585, CCO 7 in the amount of \$41,929.00 and CCO 8 for additional working days have been approved and completed.

Table 1: Contract Change Order Log

CCO No.	Amount	CCO Description
CCO 1	\$21,879.00	Temporary encapsulation barrier repairs.
CCO 2	\$85,243.00	Design revisions HVAC, soundproofing, and cardlocks.
CCO 3	\$22,105.00	Material escalation costs due to design revisions
CCO 4	\$5,839.00	Removal of asbestos from existing live conduit.
CCO 5	\$1,548.00	Additional ceiling framing material (RFI 9).
CCO 6	\$46,630.00	Emergency roof patch for leaks.
CCO 7	\$41,929.00	Revisions to Security and Electrical Scope.
CCO 8	\$0.00	Additional Working Days ONLY
CCO 9	\$3,858.00	Preparation at floor boxes

Contract Change Order 9 and potential overtime work has been requested in order for the project to be completed prior to the start of the abatement for City Hall. To ensure the Fire TI Project be completed, CCO 9 and any associated overtime to complete the project was approved by the City Engineer, per Policy 75-1.

Policy 75-1 states all change orders above \$100,000 or above 10% of the contract amount shall be authorized by Council action. Given that the total cumulative cost for contract change orders will exceed the allocated \$45,000 contingency per Resolution 22585 with CCO 9 and any future change orders, staff recommends Council approve a resolution authorizing the City Manager to execute Contract Change Order 9 in the amount of \$3,858.00 and authorize the City Manager to execute all necessary contract change orders for a not to exceed of \$15,000.00.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

This project addresses the current City Council's Goals of "Infrastructure and Environmental Sustainability" and "Public Safety" by improvement City facilities and providing offices for Fire Admin staff.

DEPARTMENTAL COORDINATION:

Public Works staff, Fire Department staff, and Finance staff have collaborated efforts with the budget and execution of this project.

FISCAL AND SUSTAINABILITY IMPACT:

A \$15,000 transfer from 3911.45.9235 (ARPA) is requested to execute Contract Change Order No. 9 and any remaining change orders.

ATTACHMENTS:

Resolution