



AGENDA REPORT

Meeting Date: October 5, 2010
Item Number: F-8
To: Honorable Mayor & City Council
From: Alan Schneider, Director of Project Administration
Allen Rubenstein, Project Manager 
Subject: ACCEPTANCE OF CONTRACT WORK FOR THE 331 FOOTHILL OFFICE BUILDING BY BAYLEY CONSTRUCTION, A GENERAL PARTNERSHIP, IN THE FINAL CONTRACT AMOUNT OF \$21,944,952.00
Attachments: None

RECOMMENDATION

It is recommended that the City Council accept the described contract work with Bayley Construction, a General Partnership, and authorize the recordation of the Notice of Completion.

INTRODUCTION

In accordance with the contract documents, this report requests City Council acceptance of the contract work located at 331 Foothill Road by Bayley Construction, a General Partnership, and requests authorization to record the Notice of Completion with the County Recorder.

DISCUSSION

On August 5, 2008, a contract was awarded to Bayley Construction to construct a new first-class four-story 72,000 sq. ft. office building designed by Steven Ehrlich Architects. The award was based on sealed, competitive bids. This building includes a facility for the City Cable TV studio, offices, retail, and a restaurant space for lease.

Subsequently, on November 5, 2008, the City Council approved a Change Order to design-build solar panels for the generation of a portion of the electrical energy for the building.

The building has been issued a Certificate of Occupancy, and the City's cable TV staff and a commercial tenant have occupied their respective spaces.

The project was submitted for LEED certification, but it will be several months before the U.S. Green Building Council completes its review and determination of certification. It is anticipated that the project will receive a silver or greater award.

The building is the fourth of five structures that were designed as part of the master plan for the Public Works property. Previous components are the Public Works Facility & Water Treatment Plant, the Vehicle Shop, and the Third Street parking structure. The remaining future development is the Public Works Shop/Warehouse, which will be brought forth for consideration by the City Council in Fiscal Year 2011-12.

Field inspection during construction has been conducted by Project Administration, geotechnical, testing and inspection consultants, the Fire Department, and the Community Development/Building & Safety staff. This assured that the work was performed according to, and in compliance with, the contract documents for this project and applicable codes.

FISCAL IMPACT

A financial summary of the project construction is as follows:

Base Contract	\$ 20,607,000
Council Approved Solar Panel Change Order	\$ 332,271
Total Base Contract & Solar Panels	\$ 20,939,271
Contingency	\$ 1,344,000
Total Amount Approved	\$ 22,283,271

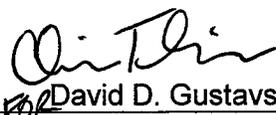
The final contract amount earned by the contractor was as follows:

Original Contract	\$ 20,607,000
Council Solar Panel Change Order	\$ 332,271
Other Change Orders	\$ 1,005,681 (4.8%)
Final Contract Amount	\$ 21,944,952

Residual unexpended amount \$338,319

The Change Orders issued during construction were for additional work not included in the original bid, including unforeseen subterranean conditions, parkway landscaping, building code upgrades, changes to facilitate leasing requirements, equipment upgrades, and other appropriate modifications benefiting the project.

The amount paid on the contract to date is \$21,252,727 with the balance of \$692,225 due to be paid 30 days after the recordation of the Notice of Completion.


David D. Gustavson
Approved By