

**City of Culver City, California
Agenda Item Report**

Meeting Date: 01/30/2012		Item Number: <u>C-1</u>	
CITY COUNCIL AGENDA ITEM: Authorize Additional Change Order Authority in the Amount of \$45,000 from Proposed Project Cost Savings to Fund Construction Contingencies and Project Enhancements in the Veterans Memorial Building Renovation Project.			
Contact Person/Dept.: Bellur Devaraj/PW		Phone Number: (310) 253-5621	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Agenda and Meetings – City Council (01/27/12)			
Department Approval: Charles D. Herbertson (01/26/2011)		City Attorney Approval: Carol Schwab (by H. Baker) (01/26/12)	
Chief Financial Officer Approval: Jeff Muir (by K. Marsden) (01/26/12)		City Manager Approval: John M. Nachbar (01/26/12)	
<u>RECOMMENDATION:</u> Staff recommends the City Council authorize additional change order authority in the amount of \$45,000 from proposed cost savings from the current American Seating Company Contract to fund construction contingencies and enhancements in the Veterans Memorial Building Renovation Project. <u>BACKGROUND:</u> On November 14, 2011, the City Council and Agency Board awarded a construction contract to Damon Inc., for construction of renovations to the Veterans Memorial Building (the “Renovation Project”). The contract includes reconstruction of men’s and women’s restrooms, cosmetic improvements to meeting rooms and class rooms, painting the auditorium and asbestos/lead paint abatement in the work areas. The Council further authorized an additional amount of \$25,000 that can be administratively approved by staff to fund unforeseen contingencies and project enhancements. During the November 14, 2011 meeting, the City Council and Agency Board also awarded a contract to American Seating Company in the amount of \$180,188.03 to provide new seating for the lower level of the Veterans Memorial Building Auditorium.			

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DISCUSSION:

Work on the Renovation Project started on January 3, 2012. Several contingencies such as repairs to existing plumbing, abatement of additionally discovered asbestos/lead paint and project enhancements are estimated to cost over the currently authorized \$25,000; therefore, staff is requesting additional change order authority in the amount of \$45,000 to fund future contingencies and project enhancements for the Renovation Project.

Staff has renegotiated the current contract with American Seating to provide seats with a modified design without sacrificing the integrity of the seats. The new contract price of \$ 133,330.90 will result in a cost savings of \$46,858.13. The amendment to this contract will be processed administratively. Staff is requesting that this cost savings be applied to the Renovations Project as described above.

FISCAL ANALYSIS:

Staff is recommending that the requested authorization of \$45,000 be funded from the cost savings realized from the current contract with American Seating.

MOTION:

That the City Council:

Authorize the Public Works Director and the Parks Recreation and Community Services Director additional change order authority in the amount of \$ 45,000 for unforeseen contingencies and additional project enhancements by utilizing the savings from the amended contract with American Seating Company.