

Council Meeting Date: November 13, 2001

Agenda Item: 6(a)

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Authorization for the City Manager to Sign Change Orders totaling \$335,120 for the Shoreline Swimming Pool Project
DEPARTMENT: Public Works
PRESENTED BY: Art Maronek, Interim Public Works Director

PROBLEM/ISSUE STATEMENT: The Shoreline Swimming Pool Renovation Project is nearing the completion of its construction phase. Unanticipated project elements have required the execution of change orders for Pennon Construction in excess of the contract contingency previously authorized by Council.

FINANCIAL IMPACT: On February 12, 2001, Council authorized the Interim City Manager to execute a base contract with Pennon Construction in the amount of \$959,387 including change orders up to 15% of the original contract amount. Staff is requesting authorization to pay for unanticipated change orders totaling \$335,120 including sales taxes that were unintentionally excluded from the original contract. With Council's approval, Pennon Construction's construction contract would increase to a total amount of \$1,438,415.

Staff has identified the following sources of budget funding to support the additional recommended expenditure amount:

<u>Budget Funding Source</u>	<u>Amount</u>
General Capital CIP Contingency	\$50,000
Funds Remaining From the Swimming Pool CIP	\$126,698
Savings From the 2001 Additional Space Renovation CIP Project	\$83,621
General Capital Fund Balance(Savings & Unanticipated Revenue)	\$74,801
Total	\$335,120

RECOMMENDATION

Staff recommends that Council authorize the City Manager to sign change orders totaling an additional amount of \$335,120 for Pennon Construction for a total maximum construction contract amount of \$1,438,415 for the Shoreline Swimming Pool Project.

Approved By:

City Manager



City Attorney



INTRODUCTION

The Shoreline Swimming Pool Project is nearing the final phase of the construction process. Staff is requesting that Council amend the construction contract for Pennon Construction in the amount of \$335,120 to pay for change orders necessary to correct unanticipated issues encountered during project construction.

BACKGROUND

On February 12, 2001, Council authorized the interim City Manager to award a construction contract to Pennon Construction in the amount of \$959,387 including change orders up to 15% of the original contract amount. The Shoreline Swimming Pool Project is identified in the City's 2001 –2006 Capital Improvement Program (CIP). The CIP supports Council's 2000 – 2001 Work Plan Goal No. 3 to "Advance the CIP with Particular Emphasis on the Aurora and Interurban Trail Projects."

The project scope of work included the following:

- Expanding the women's dressing room and lobby
- Adding work and storage space
- Adding a family changing room
- Adding a restroom in the Natatorium
- Extending the life of the HVAC, electrical, boiler and pool filtering system
- Improving and replacing deteriorated fixtures
- Upgrading the interior finishes
- Alternate Bid to add an upper level meeting/classroom

Staff issued a Notice to Proceed and work commenced on the project. During the construction process, staff learned that the Architect, ORB, did not properly design the project to meet Type 4 building code construction standards. Type 4 building code standards include additional fire code requirements compared to the Type 5 standards that the building was originally designed to comply with. The remodel work triggered a requirement to bring the building structure into compliance with Type 4 standards. In order to make these required corrections, staff encountered unanticipated costs totaling \$479,028. The existing contract contingency along with the requested amount of \$335,120 would provide sufficient authority to pay for the change orders and the sales tax that was unintentionally excluded from the original contract.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to sign change orders totaling an additional amount of \$335,120 for Pennon Construction for a total maximum construction contract amount of \$1,438,415 for the Shoreline Swimming Pool Project.