



CITY COUNCIL STAFF REPORT

DATE: July 21, 2010

Consent Agenda

SUBJECT: PALM SPRINGS ANIMAL CARE FACILITY VALUE ENGINEERING

FROM: David H. Ready, City Manager

BY: City Manager

SUMMARY

This action would authorize the City Manager to approve value engineering cuts, from the animal care facility, during the months of July and August, 2010 up to an aggregate total of \$700,000.

RECOMMENDATION:

1. Authorize the City Manager to approve Value Engineering cuts during the months of July and August, 2010, up to an aggregate total of \$700,000.
2. Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

On May 19, 2010 the City Council awarded the Palm Springs Animal Care Facility construction contract to W.E. O'Neil Construction. At that time there was a project funding shortfall for construction of \$1,133,676 which was reduced to \$733,676 that evening by the donation of \$400,000 by the Friends of the Palm Springs Animal Shelter. Staff was directed to work with the contractor to Value Engineer out the remaining deficit.

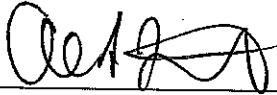
In working with the contractor the first effort has been to identify items in the contract that could be immediately removed and would be of the nature that they would not have to be put back in at a later date, such as product changes and landscape plant size reductions. The second effort would be to identify further cost items, preferably in the area of "shelling-out" the interior that could be pulled from the project at a later date if the fund raising efforts did not produce the dollars necessary to cover the construction contract deficit.

Draft Change Order No. 1, attached, is the result of the first effort to cut costs from the project. This Change Order will result in a total deletion of approximately (\$60,000), in cost from the project. The deletions include, reduction in plant sizes, removal of exterior yard walls, alternate sewer and vent pipe materials and substitution of other construction materials. No spaces have been eliminated or shelled-out with this first change order. Final negotiations of the change order were underway at this report deadline.

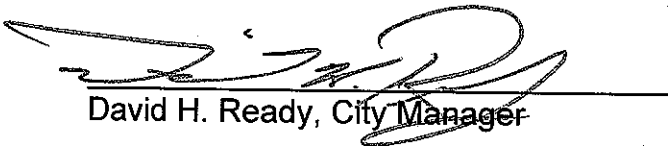
For the project to proceed without costly delays, either the Friends of the Animal Shelter must come forward with additional donations or the City and Contractor must come up with more drastic cuts before the end of August, 2010. These more drastic cuts will include the removal of some exterior animal exercise areas, reductions in the air conditioning controls, alternate lighting fixtures, removal of cabinetry and shelling-out of more than half of the interior spaces. It should be noted that work deleted can be added back, however, there is no guarantee that the costs will be the same.

FISCAL IMPACT:

This first change order begins the process of bringing the project within the dollars allocated for the project.



Allen F. Smoot, Owner's Representative



David H. Ready, City Manager

Attachment:

Draft Change Order 1

CHANGE ORDER NO. 1

PROJECT TITLE: PALM SPRINGS ANIMAL CARE FACILITY

CITY PROJECT NO. 07-24

CONTRACT NO. A5976

CONTRACT DATE: May 19, 2009

CONTRACTOR: W.E. O'Neil Construction Co.

DRAFT

The following changes are hereby made to the Contract Documents:

#	Ref.#	Item	Cost(Credit)
1.	6	Delete Concrete Sidewalk along Mesquite E/of entry walk (Approx 350 lin ft)(Add curb cut and ramp @ ADA walk) See attached sketch CO-1/1.	(\$4,950)
2.	9	Revise future crematory courtyard (concrete, wall and gates) Delete 8" slab, south wall & ftgs, gates G23 & G24 See attached sketch CO-1/2	(\$8,500)
3.	12	Reduce brown trunk palm tree height from 216' to 181'	(\$3,000)
4.	13	Reduce red yucca count from 506 to 451	(\$1,000)
5.	14	Reduce landscape in dog exercise area (Turf, plants) Delete turf, steel hdrs, cobble, planting, irrigation (Except to trees), reduce 36" box Palo Verde trees to 24" box, fine grade native. See attached sketch CO-1/5.	(\$6,000)
6.	15	Revise landscape in secure parking (plant downsizing) Reduce all plants to 1 gallon, 25' palm to 12'.	(\$3,531)
7.	34	Revise fabric canopy to galvanized hardware and 5 panel canopy See attached sketch CO-1/7.	(\$6,032)
8.	35a	Delete toilet accessories 14A, 15, 15A & 17, Rms. 114 & 115 Delete any backing that may be required.	(\$1,449)
9.	35b	Delete toilet accessories 14A, 15A & 16, Rms. 317 & 317 Delete any backing that may be required.	(\$600)
10.	36	Delete SS hand sanitizer shelves throughout the project. Backing to be installed.	(\$1,943)
11.	41a	Revise above slab sewer and vent piping from cast iron to ABS	(\$8,350)
12.	42c	Delete acoustical insulation, items 7a-7e Addenda #3	(\$5,670)
13.	44c	MC Cable in concealed spaces in lieu of conduit and wire	(\$6,000)
14.	44d	Electrical specification modifications See attached clarification sheet CO-1/14.	(\$9,360)
		SUBTOTAL	
15.		Add for WEO value engineering expense	

TOTAL CHANGE

Justification:

Value Engineering to adjust the overall cost of the project.

CHANGE TO CONTRACT PRICE

Original Contract Price: \$5,919,000

Current contract price, as adjusted by previous Change Orders: \$5,919,000

The Contract Price due to this Change Order will be changed by (\$65,057) Deductive

Contract Price due to this Change Order will be: \$5,853,943

CHANGE TO CONTRACT TIME

The Contract Time is not affected by this Change Order.

Approvals Required:

To be effective, this order must be approved by the Owner if it changes the scope of the objective of the project, or as may otherwise be required under the terms of the Supplementary General Conditions of the Contract.

Recommended by _____ date _____
Owner's Representative

Ordered by _____ date _____
City Manager

Accepted by _____ date _____
W.E. O'Neil Construction Co.

DRAFT

Contractor acknowledges and agrees, on behalf of Contractor, all Subcontractors and all Suppliers, that, except as provided above, the stipulated compensation provided for in this Change Order includes payment for all work contained in this Change Order, plus all payments for interruption of schedules, incremental extended overhead costs, acceleration costs, delay and all impact, ripple effect or cumulative impact on all other work under this Contract. In addition, Contractor agrees that this Change Order comprises the total compensation due Contractor, and all Subcontractors and all Suppliers, for the work or change defined in this Change Order, including all impact on any unchanged work, except for the additional time related issues noted above, if required.