

# **COUNTY OF HUMBOLDT**

**For the meeting of:** 2/25/2020

File #: 20-188

**To:** Board of Supervisors

From: Public Works

**Agenda Section:** Consent

#### **SUBJECT:**

Humboldt County Eureka Veterans Memorial Building Seismic Repair Project, Change Order Number 8.0 and Final Acceptance, Project No. 210502, Disaster Survey Report 2987, 2946, 3401, 3724

## RECOMMENDATION(S):

That the Board of Supervisors:

- 1. Approve and authorize the Public Works Director to execute, Change Order Number. 8.0 for a \$27,166.24 cost increase and a time extension of one hundred thirty-eight (138) days for the Humboldt County Eureka Veterans Memorial Seismic Repair Project;
- 2. Accept the work of Adams Commercial General Contracting, Inc. as substantially complete for the Humboldt County Eureka Veterans Memorial Building Seismic Repairs Project; and
- 3. Authorize the Public Works Director to file the Notice of Completion for the project as required.

#### SOURCE OF FUNDING:

California Governor's Office of Emergency Services

## **DISCUSSION:**

On April 18, 2017, the Board of Supervisors awarded the Humboldt County Eureka Veterans Memorial Building Seismic Repair Project to Adams Commercial General Contracting, Inc. in the amount of \$6,848,000.00 and a four hundred fifty (450) calendar day completion schedule.

The scope of construction work includes all work necessary to bring the building up to current building code standards. In addition to repairing seismic damage and making structural improvements, the project includes eliminating Americans with Disabilities Act of 1990 accessibility barriers, improving the life-safety and exiting systems of the building, performing hazardous materials abatement, installing fire sprinklers throughout and replacing mechanical and electrical equipment with new equipment to meet building code requirements. All work and upgrades are related to building code requirements that will need to happen in any event to bring the building up to code. The project is designed to rehabilitate the historic facility and provide for safe and efficient use into the future. In addition to new concrete steel and wood structural reinforcements, repairs generally utilized epoxy injection and high strength non-shrink grouting methods. Repair circumstances are described by crack or spall size, location or both and associated costs are determined by unit pricing based on actual lineal footage or

volume of repair area.

The increase in cost for construction is directly related to the work necessary to repair and restore the building as a result of making the proper seismic repairs using methods described in the construction documents. It was anticipated that additional costs would be encountered during construction, which is the rationale for establishing unit pricing for some items such as concrete crack and spall repair. Additional accessibility issues were encountered during the course of construction and required additional work to make public use areas accessible, including, without limitation, widened doorways, accessible hardware and accessibility to trash enclosure areas. Deviations from the original 1930 era drawings and anticipated construction methods and detailing made a number of changes necessary to resolve unanticipated structural, mechanical, electrical and architectural issues.

Change Order Numbers 1.0 through 5.0 consisted of additional work in the basement to resolve subsurface water intrusion issues, additional hazardous materials abatement, additional seismic bracing, removal and remediation of an underground heating oil tank discovered during the course of construction, re-routing of heating, ventilation, air conditioning and plumbing components to avoid structural components and changes to roofing materials and details. The cost of Change Order Numbers 1.0 through 5.0 was \$859,243.74, and the contract time was increased by one hundred six (106) days for a total of five hundred and fifty-six (556) days.

Change Order Number 6.0 consisted of additional work related to the installation of new accessible sidewalks and site flatwork required to make the approaches to the building accessible, grading and paving of the alley behind the building, additional accessibility revisions, replacement of damaged and missing historic elements of the building, replacement of some components found to be too deteriorated for reuse and additional minor plumbing and electrical reconfiguration. Change Order Number 6.0 increased the construction cost by \$358,360.77 to a total contract sum of \$8,065,604.51, and increase the construction schedule by one hundred eighty-one (181) calendar days to a total of seven hundred and thirty-seven calendar days.

Change Order Number 7.0 added thirty (30) days to the construction schedule due to an unreasonably long procurement time for construction materials which was no-fault of the general contractor. Change Order Number 7.0 did not increase the total construction cost associated with the project.

Change Order Number 8.0 is a final resolution for cost and brings closure to the project. Change Order Number 8.0 provides for additional accessibility work, additional structural reinforcement, revisions to drainage and landscaping to respond to existing conditions, revised finish work and additional waterproofing work. Change Order Number 8.0 will increase the construction cost by \$27,166.24. Approval of Change Order Number 8.0 will result in a revised total contract sum of \$8,092,770.75 and adds 138 days to the construction schedule to account for additional time for accessibility review and inspection.

Change Order Number 8.0 combines a number of necessary modifications and changes to integrated previously bid work and systems that arose as a result of unforeseen conditions in the existing building and on the project site. These changes included in this Change Order are both additive and zero cost,

the nature of which are all integral to the timely progress of the project. For these changes to be aggregated and bid separately rather than processed as a single change order under the terms of the existing construction agreement would necessitate an inordinate amount of delay and cost. Construction work would be required to cease for a number of weeks or months while documents are prepared and the public bidding process performed, with compensable delay time being added to the overall construction contract as a result. This would likely negate any minor savings that may be realized through a separate bid process and would constitute an impractical method for administering the construction work. Additionally, the possibility of a separate general contractor or subcontractor taking over installation of portions of systems or areas of work would negate or complicate the administration of any warranties for the work, which would create an undesirable outcome for the county.

Change Order Number 8.0 will be reviewed by the California Governor's Office of Emergency Services ("Cal-OES") and is expected to be accepted as fair and reasonable for the work described and included in the eligible project cost prior to project close-out. It is anticipated that Cal-OES will cover 75% of the eligible costs plus 10% of the 75% of the cost of the Change Order Number 8.0. The county's responsibility will be for an anticipated 25% match requirement per the future supplemental California Office of Emergency Services for Damage Survey Report. In the event that Cal-OES does not provide matching funds, the cost of Change Order No. 8.0 can be funded through savings and/or reductions in other capital projects currently in process by the county.

Adams Commercial General Contracting, Inc. has substantially completed their contract obligations (i.e., the project can safely be used for its intended use) and therefore the project can be accepted as substantially complete in accordance with the contract documents. The Board of Supervisors must accept the project prior to filing final acceptance. After the Board's acceptance, the required Notice of Completion can be filed with the Humboldt County Recorder and the mandatory 35-day lien period can begin. Following completion of the lien period, the county can release or reduce the payment retention provided that no stop notices have been filed and any remaining contract work is complete.

Accordingly, Public Works recommends that the Board approve, and authorize the Public Works Director to execute, Change Order Number 8.0, accept the work of Adams Commercial General Contracting, Inc. as substantially complete and authorize the Public Works Director to file the associated Notice of Completion.

## FINANCIAL IMPACT:

As noted above, all expenditures related to Change Order Number 8.0 should be offset by expected revenues from Cal-OES and it is expected that savings and/or reductions in other capital projects will offset the increased match requirement of \$6,792, which would be the county's match requirement. As a result, approval of Change Order Number 8.0 will not impact the Humboldt County General Fund.

## STRATEGIC FRAMEWORK:

The recommended actions support the Board of Supervisors' Strategic Framework by providing for and maintaining infrastructure.

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#### OTHER AGENCY INVOLVEMENT:

California Governor's Office of Emergency Services

## ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to proceed with acceptance of the project at this time. However, this alternative is not recommended since the general contractor has substantially completed their portion of the work and will therefore be entitled to release of retention upon completion of minor punch list items.

## **ATTACHMENTS:**

Change Order No. 8.0, dated 12/20/2019

## PREVIOUS ACTION/REFERRAL:

Board Order No.: H-3; C-18; D-15; C-16; C-27; C-17; C-12; C-11

Meeting of: 4/10/12; 9/25/12; 4/19/16; 4/18/17; 2/6/18; 5/22/18; 10/9/18; 4/9/2019

File No.: 18-1268;19-481