



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE

Approval of Change Order for Peak Engineering for Public Safety Facilities Project

RECOMMENDED MOTION

Staff recommends the City Council to authorize the City Manager to approve a change order with Peak Engineering, Inc. for an additional \$30,836.00 for the removal of unanticipated hazardous and underground materials encountered during demolition of the former Police Station and Fire Station.

SUMMARY

Peak Engineering requests approval of a \$30,836 change order for the removal of unanticipated hazardous and underground materials encountered during demolition of the former Police Station and Fire Station. Approval of the change order would increase the contract amount from \$275,350 to \$306,186. However shoring work included in the original contract which was not necessary will reduce the City's final pay out by \$15,000 to \$291,186.

DISCUSSION

Peak Engineering, Inc., under contract with the City, removed hazardous materials from the former Fire Station and Police Station and demolished the buildings. The projected hazardous materials charge in Peak Engineering's contract with the City was based upon a hazardous materials survey prepared by the City's hazardous materials consultant (Monte Deignan) and plans showing the buildings' original construction.

While the hazardous materials were being removed, Peak Engineering's subcontractor discovered additional hazardous materials including asbestos floor tiles as well as asbestos-laden sheetrock and HVAC duct insulation. The City's hazardous materials consultant conducted a site visit and confirmed the presence of the additional hazardous materials. Much of the material was not evident during the original survey since it was under existing flooring, behind walls, and in other inaccessible areas. The cost of the additional hazardous materials removal amounted to \$20,350 (see **Attachment 1**).

During demolition of the Fire Station, underground foundations and other unanticipated structures and debris were uncovered. Many of these underground structures did not conform with the layout of the existing buildings and were likely from structures predating the Fire Station. Plans showing these pre-existing structures were not available. The

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costs of the additional off-haul, additional equipment rental time, and associated costs amounted to \$10,486 (see **Attachment 2**).

On the basis of the above additional work, Peak Engineering submitted a \$30,836 change order. Swinerton Management & Consulting and the City's hazardous materials consultant have reviewed the change order and determined the quantities and charges are justified.

Peak Engineering's contract with the City also allocated \$15,000 for possible shoring work with the neighbor's retaining wall. Since the shoring work was not necessary, the City's final pay out will be reduced by \$15,000.

Peak Engineering's original contract amount is \$275,350. The revised contract amount will be \$306,186 and the City's final contract pay out will be \$291,186, as detailed below.

Original Contract		\$275,350
Hazardous materials removal	\$20,350	
Underground materials removal and associated costs	+10,486	
Change Order Subtotal	\$30,836	<u>30,836</u>
Revised Contact		\$306,186
Retaining wall shoring (not required)		<u>-15,000</u>
Final Pay Out Due from City		\$291,186

Peak Engineering has completed all other contractual requirements.

FISCAL IMPACT

Funding for the change order will be provided from the General Obligation Bond Funds specifically approved by the voters for the Public Safety Facilities project.

RECOMMENDATION

Staff recommends the City Council to authorize the City Manager to approve a change order with Peak Engineering, Inc. for an additional \$30,836.00 for the removal of unanticipated hazardous and underground materials encountered during demolition of the former Police Station and Fire Station.

ATTACHMENTS

- 1 Proposal from PAS for hazardous material removal, dated 6/25/08
- 2 Change Order Request from Peak Engineering, dated 10/2/08

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PREPARED BY:

Loren Umbertis
Loren Umbertis
Swinerton Management & Consulting

REVIEWED BY:

Jeremy Graves
Jeremy Graves
Community Development Director

REVIEWED BY:

Mary A. Wagner
Mary Wagner
City Attorney

SUBMITTED BY:

Louise Ho
Louise Ho
Administrative Services Manager

SUBMITTED BY:

Adam W. Politzer
Adam W. Politzer
City Manager

CDD\Projects Address\Caledonia 29\CCsr 10-07-08-Peak

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999 Canal Street, Suite B
 Richmond, CA 94804
 Phone: 510-236-0300 Fax: 510-236-0833

PROPOSAL

To Customer: Peak Engineering, Inc.
 477 Roland Way
 Oakland, CA 94621
 Attn: Mahendra Shah

Date: 6/25/08

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Architect/Engineer:

Job Name **Sausalito F.D. and P.D. Abatement** Location **29 Caledonia
 300 Johnson
 Sausalito, CA**

Performance Abatement Services, Inc. (hereinafter designated as "CONTRACTOR") proposes to furnish all materials and labor required for the application of the following (hereinafter designated as the "Work") for the amount stated below:

The following is a Lump Sum Proposal to perform the specified abatement services at the above referenced project.

Scope of Work:

The additional square footage of drywall material to be removed by PAS from the Fire station is roughly 5,550. The square footage of drywall material not being removed from the police station per the additional survey performed by MDA is 1,611. The difference between both is 3,939 s.f. This proposal includes the additional flooring material removed from the upper and lower level of the Police Station, the additional rooms that were found to contain asbestos containing flooring and the drywall ceiling found in the upper level.

Hazardous Material	Quantity
Ceiling w/ drywall Police Station	1,164 sf
Additional layer of floor covering in upper level of Police Station	1,474 sf
Additional layer of floor covering in lower level of Police Station underneath carpet	756 sf
Additional (2) layers of floor covering in lower level of Police Station underneath carpet	312 sf
HVAC Duct Insulation	28 sf
Sheetrock w/ drywall mud/joint compound Fire Station	3,939 sf

Clarifications: See Attached sheets

PAS Base Bid: \$20,350

Please sign below and return to indicate your acceptance of this proposal

In the event CONTRACTOR's price is included within your bid, then CONTRACTOR's bid will be deemed to have been accepted. This proposal is subject to change and will be withdrawn if not accepted within 30 days of the above date; it is subject to and includes all terms and conditions described herein (and such other terms as may be mutually agreed upon).

Contract Price \$ _____

PERFORMANCE ABATEMENT SERVICES, INC.
 German Espinoza

Acceptance Date: _____

By: _____
 Assistant Estimator

By: _____

Title: _____

Customer Name: _____

By: _____

Title: _____

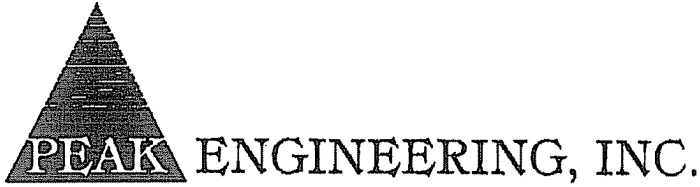
Approval Date: _____



ATTACHMENT 1

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CONTRACTORS STATE
LICENSE NO. 631610



October 2, 2008

City of Sausalito
420 Litho St.
Sausalito, Ca. 94965

Re: Sausalito Fire and Police Stations

Attn: Loren Umbertis 415-271-2486 Fax 415-988-1259
E-mail: Lumbertis@swinerton.com

Additional work performed on the above project as follows;

- 1. Provide signs on the job site:
- 2 each at \$160. Each
- Tax 8.5%
- Installed 4 hours at \$75.00 per hour

\$ 320.00
27.00
300.00

\$ 647.00

CITY
STAFF
ANNOTATIONS

- 2. Additional debris removal from the firehouse approx. 30cy or 1 highside truck load
- Dump for 19.43tons @\$69./hour
- Loading excavator @ \$125./hour x 1
- Haul highside \$100./hour x 1.5
- Labor

\$1340.00
125.00
150.00
75.00
\$1691.00

647
1,691
3,600
3,943
605

- 3. Additional abatement work
- PAS
- Peak Equipment 4 days

\$20,350.00
3,600.00

SUBTOTAL
15% mark up

\$23,950.00
\$26,288.00

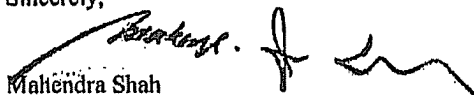
2% bond

3,943.00
\$30,231.00
605.00
\$30,836.00

10,486

Please issue a change order in the amount of \$30,836.00

Sincerely,


Mahendra Shah
MS/cl

ATTACHMENT 2

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