

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh R. Riley, Assistant City Manager 

DATE: October 25, 2013 (CC Meeting of 11/06/13)

SUBJECT: Consider Amendment Number 7 for Contract No. 2011-107 with Standard Drywall, Inc. for the Ruben Castro Human Services Center and Authorizing Release of Contract Retention for the Completed Work

BACKGROUND & DISCUSSION

The Ruben Castro Human Services Center (RCHSC) was constructed as a multiple-prime contract project with construction management provided by Barnhart Balfour Beatty Construction (Balfour-Beatty). Bids were solicited from trades in September, 2010, opened on October 21, 2010 and bids were awarded by the Moorpark City Council on January 19, 2011. Standard Drywall, Inc., (SDI) was selected as the lowest responsive and responsible bidder for the Finishes bid package and a construction agreement was executed on April 12, 2011. The original contract amount was for \$2,175,000 with a contingency amount of \$217,500.

The design of the RCHSC included an exterior trellis element to provide both architectural interest and shaded areas to reduce direct afternoon sunlight into building windows and offer shaded retreats for patrons visiting the center. The architect specified a composite material called "Trex" for the construction of the sunshade element.

During the final exterior construction and installation of the Trex onto the steel outrigger supports, a concern was raised by Balfour-Beatty's construction team about the span distances for this material and bending and twisting which was being seen. Subsequently, the Trex material was rejected by the City and an agreement was reached with HMC Architects (HMC) to compensate the City for the materials and labor involved with the Trex installation.

Balfour-Beatty, together with City staff, sought out alternative materials, including different sizes and thicknesses of tube steel, angle iron, and "C" channel to replace the original Trex composite lumber. While material and pricing costs were being collected,

Balfour-Beatty also researched a manufacturer called Aiolite, which produces a number of sunshade products including louvers, grilles, and other sun control applications. Balfour-Beatty compiled pricing for the various alternative materials and labor from the structural steel contractor, Steelcon, Inc. Additionally, Balfour-Beatty obtained costs for the installation of the Aiolite product from two other trades who hold licenses required to install this specific product; Best Contracting, Inc., and Standard Drywall, Inc. SDI presented the most competitive cost for installation of the Aiolite sunshades. A recap of the alternative materials and costs, including labor, is provided below:

Material	Cost
1x1x.122 tube steel	\$148,329.99*
1x1x.166 tube steel	\$161,592.10*
2x2x.188 tube steel	\$176,537.22*
2x4x.188 tube steel	\$202,434.04*
2x4x.250 tube steel	\$222,365.96*
3x3x1/4 steel angle (8 per bay used with TREX)	\$102,971.41*
3' C Channel (4 per bay used with TREX)	\$99,421.25*
2x4 unfinished aluminum	\$174,725.39*
6063 T52 Alum 2x4x1/8" tube	\$135,653.18*
Aiolite Sunshade System by SDI	\$160,772.00**
*Cost does not include freight or engineering	
**Includes deduct for uninstalled TREX labor. TREX material turned over to City.	

Based on factors including the original design appearance intent, ability to attach to the existing outriggers, labor cost for installation, and future maintenance costs, City representatives and Balfour-Beatty concurred that the Aiolite sunshade product would be the overall superior choice of the various alternatives available to replace the Trex composite material.

On December 19, 2012 the City Council authorized additional funding and approved Amendment No. 5 to the original contract with SDI. On October, 2013, SDI submitted shop drawings (Plans) to the City Building and Safety Division for the Aiolite material installation. The Plan review required a review of the existing steel support structure for the sunshade installation and, subsequently, new structural calculations. On October 7, the City obtained a proposal from TTG Engineers to complete the new structural calculations and that work has been authorized at a cost of \$1,200.

Actual construction included in Contract 2011-107 (to be considered as Phase A) excluding Amendment No. 5 for the Sunshade installation (to be considered as Phase B) was completed by SDI on October 1, 2012. On October 8, 2013, the original 10% contract retention of \$230,824.48 was reduced to 5% and \$115,412.24 was released to SDI leaving a 5% retention balance of \$115,412.24 for the original contract.

Pursuant to Public Contract Code section the final payment of ten percent (10%) of the value of work done under this agreement, if unencumbered, shall be made within sixty (60) days after the date of completion of the work, provided however, that in the event of a dispute between the City of Moorpark and the Contractor, the City of Moorpark may withhold from the final payment an amount not to exceed one hundred and fifty percent (150%) of the disputed amount. Completion means any of the following as provided by Public Contract Code section 7107:

1. The occupation, beneficial use, and enjoyment of a work of improvement, excluding any operation only for testing, startup, or commissioning, by the public agency, or its agent, accompanied by cessation of labor on the work of improvement.

Considering actual construction included in Contract 2011-107 (Phase A) inclusive of previously approved Amendments 1, 2, 3, 4, and 6 is completed based upon occupancy and beneficial use of the Project by the City on October 1, 2012 and in compliance with Public Contract Code section 7107, release of remaining retentions with the exception of an amount equal to the additional scope remaining (Amendment # 5 – Phase B) is mandated.

FISCAL IMPACT There is no fiscal impact from this action. Funds for Phase B have already been appropriated.

STAFF RECOMMENDATION

1. Approve Amendment No. 7 considering actual construction included in Contract 2011-107 inclusive of previously approved Amendments 1,2,3,4 and 6 as construction Phase A and considering actual construction included in previously approved Amendment # 5 (exterior shade structure element) as Phase B.
2. Consider actual construction included in Contract 2011-107 inclusive of previously approved Amendments 1,2,3,4 and 6 (Phase A) as complete and in beneficial use by the City commencing on October 1, 2012 and authorize the City Clerk to approve the release of remaining contract retention balance for Phase A of \$115,412.24.

Attachment 1: Amendment No. 7

ATTACHMENT 1

SEVENTH AMENDMENT TO AGREEMENT 2011-107 FOR BID PACKAGE #12 – FINISHES AT THE RUBEN CASTRO HUMAN SERVICES CENTER

THIS SEVENTH AMENDMENT TO THE AGREEMENT FOR BID PACKAGE #12 – FINISHES (“Seventh Amendment”), is made and entered into this ____ day of _____, 2013, (“the Effective Date”) between the City of Moorpark, a municipal corporation, hereinafter referred to as “CITY”, and Standard Drywall, Inc., a California corporation, hereinafter referred to as “CONTRACTOR”.

WITNESSETH:

WHEREAS, on April 12, 2011, the CITY and the CONTRACTOR entered into an “Agreement” for finishes for the Ruben Castro Human Services Center; and

WHEREAS the CONTRACTOR has executed six previous Amendments to the Agreement totaling an amount not-to-exceed two hundred eighty seven thousand, one hundred forty five dollars and sixty five cents (\$287,145.85) increasing the total not-to-exceed amount to two million four hundred sixty two thousand five hundred fifty nine dollars and sixty five cents (\$2,462,145.85) for finishes for the Ruben Castro Human Services Center; and

WHEREAS, the CITY wishes to further amend the Agreement to consider that portion of the Agreement inclusive of the original agreement amount and previous approved Amendments 1, 2, 3, 4 and 6 totaling an amount not-to-exceed two million three hundred and one thousand three hundred seventy three dollars and eighty five cents (\$2,301,373.85) as Phase A and that the portion of work inclusive of previous approved Amendment 5 for modifications to the exterior trellis feature in an amount not-to-exceed one hundred sixty thousand seven hundred seventy two dollars and zero cents (\$160,772.00) as Phase B.

WHEREAS, on _____, the City Council of the City of Moorpark approved modification of the Agreement as the Seventh Amendment, and

NOW, THEREFORE, in consideration of the mutual covenants, benefits, and premises herein stated, the parties hereto AMEND the Agreement follows:

I. Section 2 of the Agreement is amended to include:

Contractor’s Scope of Services is amended to include only the remaining scope of services described in the Fifth Amendment of the Agreement as Phase B.

II. Section 7 of the Agreement is amended to include:

CITY hereby considers that work inclusive of the original Agreement inclusive of Amendments 1, 2, 3, 4 and 6 as Phase A and considers that work inclusive of Amendment 6 as Phase B.

III. Remaining Provisions

All other terms and conditions of the original Agreement and all other amendments shall remain in full force and effect, except to the extent modified by this Seventh Amendment.

CITY OF MOORPARK

STANDARD DRYWALL, INC.

By: _____
Steven Kueny
City Manager

By: _____
David J. Dearborn
Project Manager

ATTEST:

Maureen Benson, City Clerk