



CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:

Joint City Council Housing Authority Successor Agency Oversight Board

February 6, 2018

AGENDA ITEM

Report: The Glendale Central Library Renovation Project, Specification No. 3551R.

- (1) Motion of the City Council authorizing an increase in the contingency amount by \$479,804.67 to Contract Number C105921 with Kemp Bros. Construction, Inc. for additional services related to the unforeseen and unanticipated construction related modifications, enhancements to the ReflectSpace, and unanticipated costs related to the installation of the Automated Materials Handling system.

COUNCIL ACTION

Public Hearing Ordinance Consent Calendar Action Item Report Only
Approved for February 6, 2018 calendar

ADMINISTRATIVE ACTION

Submitted by:

Cynthia Cleary, Director of Library, Arts and Culture

Roubik Golanian, Director of Public Works

Prepared by:

Hagop Kassabian, Senior Project Manager

Jay Wollenhaupt, Library, Arts & Culture Administrative Manager

Approved by:

Yasmin K. Beers, Interim City Manager

Reviewed by:

Philip S. Lanzafame, Director of Economic Development

Michael J. Garcia, City Attorney/Agency Counsel

Robert P. Elliot, Director of Finance

Signature

Cynthia Cleary
Roubik Golanian
Hagop Kassabian
Jay Wollenhaupt
Yasmin K. Beers
Philip S. Lanzafame
Michael J. Garcia
Michele Flynn for Bob Elliot

Robert P. Elliot

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RECOMMENDATION

Staff respectfully recommends that the City Council approve the following Motion:

- 1) Motion authorizing an increase in the contingency amount by \$479,804.67 to Contract Number C105921 with Kemp Bros. Construction, Inc. (Kemp) for additional services related to unforeseen and unanticipated construction related modifications, enhancements to the ReflectSpace, and unanticipated costs related to the installation of the Automated Materials Handling system.

BACKGROUND/ANALYSIS

The Central Library Renovation project was implemented to improve the facility's functionality, and address changes in how people approach and access the library. The project included building improvements such as structural upgrades, roofing replacement, electrical and communication systems, heating, ventilation and air conditioning systems improvements, ADA compliance, and space utilization. The overall project aligned the facility with modern library functions and services, and improved access within and around the facility. The renovation allowed for new models of service that included a single service point for patrons, ReflectSpace programming, and a Maker Space. Other key components of the project included relocating the central cooling and heating plant that enables room for the future development of the east-west Paseo south of the library that will eventually connect the passageway from Brand Boulevard to Central Park and the Armenian American Museum.

On May 19, 2015, the City Council and the Successor Agency awarded the construction contract to Kemp in the amount of \$14,400,000 plus a contingency of 10% or \$1,440,000, for a total construction budget of \$15,840,000.

On December 6, 2016, the City Council approved an increase in the contingency amount by \$420,000 for a total of \$1,860,000, increasing the total construction & contingency budget to \$16,260,000. The increase was due to additional work related to the ReflectSpace and unforeseen construction related modifications.

To date, Kemp's total construction contract including change orders and retention is \$16,259,900.60. Kemp has been paid \$16,160,282.10 (approximately 99.4%) with a balance of \$99,618.50 remaining for earned and un-invoiced work related to Polyvinyl Chloride (PVC) roofing membrane. Kemp has not billed the City for this work as of this date since the work was partially completed at the time of roof installation and several items needed to be addressed and corrected with the PVC membrane. Since, the PVC membrane installation has been completed and corrected, we expect this remaining amount to be billed by the contractor on the next and final payment request, which will bring the construction and contingency contract balance to \$99.40.

There have been ten change orders approved, totaling \$1,859,900.60. These changes were related to; 1) build-out of the ReflectSpace; 2) unforeseen and concealed site conditions associated with existing concrete walls, foundations, mechanical and electrical systems, and fire life safety systems; 3) modifications and upgrades to comply with the most current code requirements; 4) changes to improve the facilities functionality, marketability, and longevity. These changes also included upgrading of a rooftop air handler unit, additional Fiber Reinforced Polymer (FRP) at concealed beams, retrofit and replacement of concrete incased duct and electrical conduit banks, additional data lines, and fire life safety upgrades not included originally as part of the bid package.

Staff is respectfully requesting another increase to the project contingency in a total amount of \$479,804.67 to mitigate unanticipated costs related to rain water damage, fire sprinkler line

breaks and leaks, repairs to existing sewer lines not included in original project scope, repairs to mechanical duct work, installation of an Automated Materials Handling system, and the addition of an audio visual system in the ReflectSpace to enhance the exhibit experience. This requested amount will increase the project contingency from \$1,860,000 (12.9% of construction cost) to \$2,339,804.67 (16.2 %).

Typically a renovation and construction project of this size and magnitude consumes a construction contingency of approximately 15% to 20%. The city approached the project initially with a less conservative method and requested only a 10% contingency budget. Although staff and the architectural team of Gruen and Associates worked diligently with Kemp to deliver the project within the 10% contingency, several unforeseen and unanticipated infrastructure, structural related issues, and ultimately heavy rainfall and inclement weather required repairs, compensations for design changes, materials, and means and methods created additional cost. Ultimately, the changes made to this project have significant value including a better structure, a more functional Library, and a better overall project.

Rain Damage and Unforeseen Conditions

The Glendale area and Southern California region in general experienced an unusually wet winter and spring in 2016/2017 exposing the Central Library's structure to heavy water damage. The damage affected the exterior concrete walls of the building and more significantly the interior spaces which were under construction as well as several other finished areas. The extent of the damage encompassed flooring, gypsum walls, hard and soft lid ceilings, windows, low voltage and electrical wiring/conduits/equipment, and mechanical equipment. Expectedly, the cost to repair the damage was unanticipated. The project team worked diligently and expeditiously with the contractors to minimize the damage and restore the affected areas. The total cost related to rain damage repairs is \$99,840.26.

In late April, approximately a week prior to the Grand Re-Opening of the Library, leaks and breaks occurred to several existing fire sprinkler lines in concealed ceiling areas on the second floor west side of the building as a result of rust and wear and tear. These leaks caused damage to finished hard lid gypsum wall ceilings, finished wood wall coverings, finished carpet flooring, and book stacks. Repairs had to be made quickly to avoid further damage and have the space ready for the opening event. In addition, two existing sewer lines needed repairs the day prior to the opening and the day of the opening. One line in the basement, not part of the original scope backed up and caused substantial damage to the basement hallway finished vinyl flooring, and finished gypsum walls. The second back up happened in the early morning the day of the opening at the south entry of the building. This was also an existing line not in the scope of the original work and City staff along with the contractor had to work quickly to clean up the mess at the entry door and adjacent landscaping. Cost for all these unforeseen repairs is \$206,317.24.

ReflectSpace

The new Downtown Library ReflectSpace is dedicated to the topic of humanity and inhumanity, and occupies a prominent location adjacent to the new south entry and visible from the double story, centralized reading room. Thus far exhibits have focused on the Armenian Genocide, Korean Comfort Women, the Holocaust, and Immigration. The exhibits have brought a new audience to the Library and attracted positive press for the City. The estimate to have Kemp complete the build-out of the ReflectSpace was \$400,000 (\$180,000 initial estimate and \$220,000 added December 6, 2016). The space was completed on time for the opening. The current request is to complete installation of an audio-visual and oral history playback system. These upgrades will provide for a more versatile space with the ability to create truly state-of-the-art digital exhibits. The equipment installation will include adjustable digital projectors on the

ceiling that can project images on the floor and on the walls, wall mounted interactive display with integrated PC computer, ceiling mounted sound system, and listening device system. The cost for equipment and installation is \$123,629.

Automated Materials Handling System

As part of the 2014-2015 budget, the City Council approved \$800,000 for the purchase of a turnkey operation for the Glendale Library, Arts & Culture Department, including Radio Frequency Identification (RFID) for the system's collection and an Automated Materials Handling (AMH) unit at the Central Library. Among other benefits, the proposed RFID system will provide significant productivity gains through reduction in key labor-intensive workflow processes, enhanced customer service, reduced material losses, reduced incidents of staff repetitive motion injuries, and improved inventory accuracy.

The Automated Materials Handling system is a book return and conveyer system that receives book returns and organizes and routes them to separate bins to be re-shelved or sent to other sites including the Pasadena Public Library. On October 25, 2016, City Council awarded the contract for purchasing and installing the AMH and related RFID system to Tech-Logic. The contract was approved and finalized on May 4, 2017, after the Central Library opening. However, after approval it was revealed that Tech-Logic did not have the required California contractor's license to complete the installation, and Kemp, as a qualified contractor, was engaged to do the work. Once the AMH specifications were available there were electrical, data and fire suppression modifications required and the installation costs increased. Therefore, we are requesting that \$50,018.17 be added to the project contingency in order to fully bring the system online.

FISCAL IMPACT

Funding for the additional contingency in the amount of \$479,804.67 is available in the Library Mitigation Fee Fund, Library Projects, Central Library Renovation Project account (407-681-51318).

Environmental Review

This project is Categorically Exempt under the provisions of the California Environmental Quality Act (CEQA) as a Class 1 Exemption pursuant to the California Code of Regulations, Title 14, Section 15301.

Project Schedule

The Construction work began in July 2015 and anticipated to be completed in February 2018.

ALTERNATIVES

- Alternative 1: The City Council may approve the Motion authorizing an increase in the contingency amount by \$479,804.67 to Contract Number C105921 with Kemp Bros. Construction, Inc. (Kemp) for additional services related to the development of the Remembrance Room and unforeseen and unanticipated construction related modifications.
- Alternative 2: The City Council may reject the Motion authorizing an increase in the contingency amount by \$479,804.67 to Contract Number C105921 with Kemp Bros. Construction, Inc. (Kemp) for additional services related to the development of the Remembrance Room and unforeseen and unanticipated construction related modifications.
- Alternative 3: The City Council may consider any other alternative not proposed by staff.

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the Council of the City of Glendale hereby authorizes:

1. An increase of \$479,857.56 in the construction contingency for the construction contract of Kemp Bros. Construction, Inc. (Contract No. C105921) on the Central Library Renovation Project (Specification No. 3551R), for the reasons set forth in the February 6, 2018 report by the Director of Public Works and the Director of Library, Arts & Culture. The Contract's total construction contingency, with the increase, must not exceed \$2,339,857.56.
2. The Interim City Manager, or a designee, to execute Contract Change Order No. 11, which must be consistent with the additional work.

Vote as Follows:

Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM



Michael R. Grant
Principal Assistant City Attorney

Date: 2-1-18

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