

TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTORS AGENDA ITEM SUMMARY

Topic: Administration Building Architectural Additional Services

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| Purpose | Information: X Guidance: Decision: X |
| General Update | <p>Administration Building General Update Construction on the new building is 35% complete. The carpenters are working on completing the roof framing and then will go back and finish up interior walls and hardware. The plumber, HVAC contractor and electrician have all begun their in wall rough in.</p> <p><i>Change Orders</i> Executed change orders total a net \$37,630.86. The net total of potential change orders is approximately \$50,000. Together the executed and potential change orders add up to approximately \$118,000 worth of additions and \$30,000 in deductions for a net of \$88,000. Approximately 41% of the changes are adding value to the project, 20% are due to unforeseen conditions, 15% due to final design coordination and 24% for snow removal. The change order requests are being carefully examined for conformance to market prices.</p> |
| Recommendation | <p>Authorize Staff to approve an increase in Ward Young's authorized contingency by an additional \$71,000 which will be reallocated from other contingencies and not increase the total budget.</p> <p>Note: The \$22,202.75 for services already rendered would be approved now for payment by staff and the remainder of the funds held. They would be paid upon notification from the Architect of additional services rendered and subsequent Staff authorization.</p> |
| Last Action | <p>The Board approved The architectural contract for design development, construction documents and construction administration for \$435,258 with a 10% contingency in the February 3, 2010 Board meeting. The 10% Contingency was used to add a building commissioning agent, furniture, fixture & equipment (FF&E) design, a movement of the fuel island meter panel and plan for the demolition of the existing building.</p> <p>In the July 22, 2010 Board meeting an additional \$5,000 was authorized to cover minor scope revisions encountered during construction such as unforeseen conditions or value engineering (for which it ended up being used).</p> |
| Discussion | <p>Architectural Additional Services Ward Young advised the District in early October 2010 that they were expending more hours on the project than anticipated as a result of 4 main causes</p> |

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- Compressed design & construction schedule
- Increased complexity of the building and its systems
- Additional project meetings and site visits (Contract Section 3.1)
- Additional services (Contract Section 4.3)
 - Owner directed changes
 - Addressing unknown conditions
 - Responding to Contractor's requests for information where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, coordination drawings, etc. (made necessary by compressed schedule)
 - Evaluating substitutions proposed by the Contractor

A proposal was presented at the time which requested an increase in the contract by \$169,231. A portion of the increase requested was for design phase services, \$77,711 and a portion was for construction phase services, \$91,520. The Facilities Ad Hoc Committee (FAHC) met with Ward Young and after reviewing the contract determined that an increase in compensation for design phase services could not be authorized because of the late notice by the Architect. The FAHC requested that Ward Young detail the already expended and estimated future expenses associated with construction administration in accordance with the contract provisions for additional services. Ward Young assembled this information over the next 4 months while also ensuring that the construction schedule did not slip. In mid-February Ward Young presented a revised proposal which requested \$22,202.75 for additional construction administration services that had already been provided and estimated \$30,740.00 in anticipated extra project meetings, site visits and additional services per Section 4.3 anticipated to complete the project. The FAHC then met with Ward Young again on March 8 and found that their justification for additional services was acceptable. The FAHC requested that the District's Project Manager meet with Ward Young and ensure that all hours that could be reasonably anticipated were accounted for in the future estimate. It was made very clear that the District does not want to go through this process again. This resulted in an increase of \$18,000 to \$48,740 for the estimate. The already expended (\$22,202.75) and future estimated (\$48,740) total approximately \$71,000. The attached spreadsheet details those costs.

Staff feels that the request is in accordance with the contract and is accurate. The Contractor, GLA Morris has been made aware of the situation and will proceed cognizant of the situation. Funding to

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cover this amount will be reallocated from the following line items:

- Non Authorized Architectural contingency \$25,000,
- Other Permits & Fees Contingency, \$20,000
- Construction Contingency, \$26,000

An updated budget is included as well which shows this reallocation.

In summary Ward Young's Contract amount:

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| \$435,258 | Original Contract |
| \$43,526 | Original Contingency (expended) |
| \$5,000 | Additional Authorized July 22, 2010 (expended) |
| <u>\$71,000</u> | <u>Requested Additional Authorized Contingency</u> |
| \$554,784 | Total |

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| Fiscal Impact | No overall budget increase but the partial use of contingencies set aside for other construction expenses. |
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| Communication Strategy | N/A |
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| Attachments | <ul style="list-style-type: none">• Ward Young Additional Services Breakdown• Administration Building Budget. |
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