

City of Las Cruces[®]

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Council Action and Executive Summary

Item # 7Ordinance/Resolution# 12-161For Meeting of _____
(Ordinance First Reading Date)For Meeting of March 19, 2012
(Adoption Date)

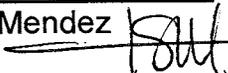
Please check box that applies to this item:

 QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AUTHORIZING CHANGE ORDER NUMBER FIVE (5) TO THE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND JAYNES CORPORATION, INC., OF ALBUQUERQUE, NEW MEXICO, FOR THE CONSTRUCTION OF THE LAS CRUCES REGIONAL AQUATIC CENTER TO CHANGE THE CONTRACT AMOUNT FROM \$11,535,460.00 TO A NEW CONTRACT AMOUNT OF \$11,752,260.00 (AN INCREASE OF \$216,800.00); PLUS AN OWNER CONTINGENCY OF \$10,000.00; FOR A REVISED TOTAL AUTHORIZATION OF \$11,762,260.00.

PURPOSE(S) OF ACTION:

Authorization of a Change Order for a construction contract.

COUNCIL DISTRICT: ALL		
<u>Drafter/Staff Contact:</u> Tomas Mendez 	<u>Department/Section:</u> Public Works/Facilities Management	<u>Phone:</u> 541-2583
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Award for the initial phase of construction of the Las Cruces Regional Aquatic Center was authorized by City Council on July 28, 2008, via Resolution Number 07-08-024A to Jaynes Corporation, Inc., in the amount of \$11,162,445.00. As a part of the contract, they were expected to work closely with the City's consulting architect and engage in the value-engineering process to reconcile the scope of work with the established budget.

During the course of the project, the State of New Mexico Department of Finance and Administration rescinded a portion of the funds to address state budget issues; and subsequently, restored the funds. The overall contract was adjusted as well, which resulted in the substantial completion of the aquatic elements of the facility and limited rough-in of the second floor.

Change Order number five (5), attached to the Resolution, increases the contract amount to reflect the availability of the additional funds and allows completion of the second floor. The revised scope of work includes the build-out of the aquatic center's second floor that consists of partitions; heating, ventilation, & air conditioning (HVAC); electrical power and lighting; finishes; an elevator; restrooms; exterior windows; and the opening of the second floor to the first floor lobby. When complete, the additional space will provide areas for fitness training equipment and a multi-purpose/aerobics studio; substantially increasing the level of programs available at the center.

Staff has reviewed the contractor's cost proposal and the construction documents and finds that the proposed cost of construction is acceptable and consistent with a project of this type and size. Construction work is underway using the existing contract and authorized funds with the remainder of the work (via Change Order 5) scheduled to be completed by April 30, 2012.

SUPPORT INFORMATION:

1. Resolution.
2. Attachment "A". "Draft" Change Order number (5) five to contract between the City and Jaynes Corporation, Inc.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance in the Fund.
Does this action create any revenue?	Yes	<input type="checkbox"/>	Funds will be deposited into this fund:
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

City Council has previously authorized the expenditure of \$11,535,460.00 for the Las Cruces Regional Aquatic Center's construction services. The attached Resolution authorizes the increase of the contract sum to \$11,762,260.00. The initial contract award authorization and the change orders to the contract are funded with New Mexico state legislative appropriations. The following summary only itemizes the funding source and its assignment to the increase in contract authorization referring to Change Order number five (5).

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Facility State Grant Imps.	40803170-852100-60P05	\$226,800.00	\$257,994.00	\$ 31,194.00	Site Furnishings & Equipment

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution, authorizing Change Order number (5) five to the contract for the construction of the Las Cruces Regional Aquatic Center between the City and Jaynes Corporation Inc.
2. Vote "No"; this will not approve the Resolution. Therefore, staff will be required to pursue other options to increase the contract amount necessary to add the additional work to the contract and to expend the funds prior to their reversion date of June 30, 2012.
3. Vote to "Table"; the Resolution and provide staff with further direction.

REFERENCE INFORMATION:

1. Resolution No. 07-08-024A
2. Resolution No. 07-08-024A(1)
3. Resolution No. 09-10-549

RESOLUTION NO. 12-161

A RESOLUTION AUTHORIZING CHANGE ORDER NUMBER FIVE (5) TO THE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND JAYNES CORPORATION, INC., OF ALBUQUERQUE, NEW MEXICO, FOR THE CONSTRUCTION OF THE LAS CRUCES REGIONAL AQUATIC CENTER TO CHANGE THE CONTRACT AMOUNT FROM \$11,535,460.00 TO A NEW CONTRACT AMOUNT OF \$11,752,260.00 (AN INCREASE OF \$216,800.00); PLUS AN OWNER CONTINGENCY OF \$10,000.00; FOR A REVISED TOTAL AUTHORIZATION OF \$11,762,260.00.

The City Council of the City of Las Cruces is informed that:

WHEREAS, the Las Cruces City Council authorized an agreement between Jaynes Corporation, Inc., and the City of Las Cruces via Resolution Number 07-08-024A for construction services for the Las Cruces Regional Aquatic Center; and

WHEREAS, the authorized contractor is expected to work closely with the City's consulting architect and reconcile the scope of work with the established budget; and

WHEREAS, the State of New Mexico Department of Finance and Administration rescinded a portion of the funds to address state budget issues and has now restored the funds; and

WHEREAS, staff requested cost proposals from the contractor specifically to address an increase to the scope of work to finish out the second floor of the facility by including a build-out to consist of partitions, HVAC, electrical power, finishes, an elevator, restrooms, exterior windows, and an opening to the lobby; and

WHEREAS, the "Draft" Change Order attached, has been prepared after the review of the contractor's cost proposal by the project architect and City staff; and

WHEREAS, City Staff concurs that the cost is consistent with the quantity and type of work involved; and

WHEREAS, construction work continues using the existing contract and authorized funds with completion scheduled for April 30, 2012; and

WHEREAS, the total project authorization of \$11,762,226.00 includes the \$11,535,460.00 originally approved, and an owner contingency of \$10,000.00, for an increase of \$216,800.00.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT Change Order number five (5) to the contract for the construction of the Las Cruces Regional Aquatic Center between the City and Jaynes Corporation, Inc., is authorized.

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2012.

APPROVED:

Mayor

ATTEST:



City Clerk

(SEAL)

VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Smith: _____
Councillor Pedroza: _____
Councillor Small: _____
Councillor Sorg: _____
Councillor Thomas: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

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Change Order

PROJECT (Name and address): Regional Recreation & Aquatic Center 1401 East Hadley Las Cruces, New Mexico	CHANGE ORDER NUMBER: 005 to Amendment No. 1 DATE: March 19, 2012	OWNER: <input type="checkbox"/> ARCHITECT: <input type="checkbox"/> CONTRACTOR: <input type="checkbox"/> FIELD: <input type="checkbox"/> OTHER: <input type="checkbox"/>
TO CONTRACTOR (Name and address): Jaynes Corporation 2906 Broadway NE Albuquerque, New Mexico 87107	ARCHITECT'S PROJECT NUMBER: 07-08-024A CONTRACT DATE: December 18, 2007 CONTRACT FOR: Construction Management / General Contractor Services	

THE CONTRACT IS CHANGED AS FOLLOWS:

(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives)
 The Guaranteed Maximum Price, as stipulated in Article I of Amendment No. 1 To Agreement Between Owner and Construction Manager between the City of Las Cruces and Jaynes Corporation, is adjusted to recognize the revisions to the Work as follows:

CO5-01. Increase GMP for additional second floor work; including fire suppression system, hvac, electrical, structural framing, exterior and interior windows, finishes (eifs, paint, flooring), doors/frames and a contractor contingency:	\$216,800.00
Total:	\$216,800.00

The original Guaranteed Maximum Price was	\$ 11,162,445.00
The net change by previously authorized Change Orders	\$ 373,015.00
The Guaranteed Maximum Price prior to this Change Order was	\$ 11,535,460.00
The Guaranteed Maximum Price will be increased by this Change Order in the amount of	\$ 216,800.00
The new Guaranteed Maximum Price including this Change Order will be	\$ 11,752,260.00

~~The Contract Time will be _____ by (_____) days.~~

The date of Substantial Completion as of the date of this Change Order therefore is May 15, 2012.

NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price which have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

<u>Steve Newby Architects and Associates</u> ARCHITECT (Firm name) 1042 S Main St. Las Cruces, NM 88001 ADDRESS	<u>Jaynes Corp. General Contractors</u> CONTRACTOR (Firm name) 2906 Broadway NE Albuquerque, NM 87125 ADDRESS	<u>City of Las Cruces</u> OWNER (Firm name) P.O. Box 20000 Las Cruces, New Mexico 88004 ADDRESS
<u>BY (Signature)</u> Steve Newby, AIA (Typed name)	<u>BY (Signature)</u> (Typed name)	<u>BY (Signature)</u> Robert Telles, Purchasing Manager (Typed name)
DATE	DATE	DATE