

City of Sacramento

Legislation Text

File #: 2019-00556, **Version:** 1

Title:

Utility Agreements, Supplemental Agreement, Contract, and Budgetary Adjustments for the Convention Center Complex Renovation Project (M17100100)

File ID: 2019-00556

Location: District 4

Recommendation:

Adopt a Resolution authorizing the City Manager or the City Manager's designee to: 1) execute a utility agreement with Sacramento Municipality Utility District (SMUD) for an amount not to exceed \$253,049 for the Sacramento Convention Center (SCC) Renovation and Expansion Project; 2) execute a utility agreement with SMUD for an amount not to exceed \$108,048 for the Community Center Theater (CCT) Renovation Project; 3) execute Supplemental Agreement No. 1 to City Agreement No. 2018-0740 with Salaber Associates, Inc. for an amount not to exceed \$197,760 for the Memorial Auditorium (MA) Improvements Project, for a new total not to exceed amount of \$465,720; 4) execute a construction contract with Access Systems, Inc. for an amount not to exceed \$299,055 for the SCC Renovation and Expansion Project; and 5) transfer \$2,373,418 (Community Center Fund, Fund 6010) from the expenditure budgets of various capital improvement projects to the expenditure budget of the Convention Center Complex Renovation Project (M17100100).

Contact: Ofelia Avalos, Senior Engineer, (916) 808-5054; Fran Halbakken, Project Executive, (916) 808-7194, Office of the City Manager

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A - SMUD Agreement for the Sacramento Convention Center
- 4-Exhibit B - SMUD Agreement for the Community Center Theater
- 5-Exhibit C - Supplemental Agreement with Salaber Associates, Inc.
- 6-Exhibit D - ASI Contract for the SCC

Description/Analysis

Issue Detail: The agreement with SMUD in the amount of \$253,049 is needed for the renovation and expansion of the SCC building. As part of the SCC service, SMUD will be modifying and adding to the existing electrical service, installing two (2) additional 1,000 kVA 12kV/480 Volt network transformers and two (2) 1,600 Amp network protectors and all necessary 12 kV and 480 Volt wiring needed to connect and energize these transformers, bringing the total transformer count to seven (7), per the SCC Expansion and Renovation Plans.

The agreement with SMUD in the amount of \$108,048 for the CTT is needed for SMUD to install electrical facilities such as cable, transformers and switchgear within or upon certain underground electric distribution facilities per the CTT Renovation Plans.

Supplemental Agreement No. 1 in the amount of \$197,760 with Salaber Associates Inc. is needed to provide construction management (CM) services for Phase II of the MA Improvements Project. On May 29, 2018, City Council approved CM services in the amount of \$267,960 for Phase I of the construction, which is complete. In the fall of 2020, Phase II will begin, and Salaber will continue to: provide quality control and assurance; coordinate City building inspection; coordinate oversight of all activities related to the construction of the project; maintain close liaison with the City's project manager; review any change orders; monitor the contractor's performance and schedule; make recommendations to reduce costs; oversee materials testing; handle document management; assist with punch list review and project closeout; and sign off on the certificate of completion.

The construction contract with Access Systems, Inc. in the amount of \$299,055 is needed for the Access Control, Duress, and Intercom Systems at the SCC. This contractor is the current authorized contractor to secure all facilities of the City of Sacramento that require key cards and access controls.

Policy Considerations: The improvements to the SCC, CCT, and MA support the following goals and policies of the City's General Plan:

- ERC 4.1.3 City-Owned Resources. The City shall enhance the quality of existing City-owned arts and cultural resources and facilities through reinvestment, communications and marketing.
- ERC 4.1.5 The city shall support renovation and expansion of SCC facilities and adjacent supportive infrastructure, including hotels, to attract top tier national and international events.
- HCR 2.1.9 City-Owned Resources. The City shall maintain all City-owned historic and cultural resources in a manner that is consistent with the U.S. Secretary of the Interior's Standards for the Treatment of Historic Properties.

The renovation and expansion of the SCC will allow the facility to remain attractive and competitive in the future, while providing a nationally-recognized convention venue for residents, visitors and convention attendees. It is also anticipated to generate increased transient occupancy tax (TOT)

revenues as more events will likely lead to more hotel night stays and may generate the need for additional hotel development in the downtown core.

Economic Impacts: The SCC and CCT construction contracts require compliance with the approved Community Workforce and Training Agreement (CWTA), which require local hiring and allow for targeted employment opportunities for Sacramento residents.

Environmental Considerations:

California Environmental Quality Act (CEQA): In accordance with CEQA, the City, as “lead agency”, determined that an Environmental Impact Report (EIR) should be prepared for the SCC Renovation and Expansion Project. On June 19, 2018, City Council approved Resolution No. 2018-0252 certifying the Environmental Impact Report and Mitigation Monitoring Plan for the SCC Renovation and Expansion Project.

On April 27, 2010, Council found the CCT Renovation Project to be exempt from CEQA, citing Section 15302, which provides that projects involving replacement or reconstruction of existing structures and facilities are exempt from CEQA. (Resolution No. 2010-0208).

The approval of the supplemental agreement with Salaber Associates, Inc. will have no significant effect on the environment and is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) for the MA Renovation Project.

Sustainability: The SCC project will be designed utilizing energy efficient standards and will reduce the carbon footprint contribution, therefore helping meet the City of Sacramento’s sustainability goal. The City is pursuing Leadership in Energy and Environmental Design (LEED) Silver certification with the U.S. Green Building Council for the SCC Renovation and Expansion Project in accordance with City policy LU 8.1.5 LEED Standard for City-Owned Buildings, which requires LEED (Leadership in Energy and Environmental Design) Silver or equivalent standard.

The CCT project will be designed in accordance with City policy LU 8.1.5 and will meet the LEED Silver equivalent standards.

The MA Improvements project has been designed utilizing energy efficient systems where ever possible.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Approval of the SMUD agreements, the supplemental agreement with Salaber, and the contract with Access Systems, Inc. are necessary to move forward with the construction phase of all three buildings.

Financial Considerations: Sufficient funding (2018 TOT Tax-Exempt Revenue Bond Fund, Fund 6330) is available in the Convention Center Complex Renovation Project (M17100100) to execute the following agreements:

- A utility services agreement with SMUD for an amount not to exceed \$253,049 and with a previously paid deposit of \$10,000 the balance due to complete the work is \$243,049 for the SCC;
- A utility services agreement with SMUD for an amount not to exceed \$108,048 and with a previously paid deposit of \$5,000 the balance due to complete the work is \$103,048 for the CCT;
- Supplemental Agreement No. 1 to City Agreement No. 2018-0740 with Salaber Associates, Inc., for an amount not to exceed \$197,760 for the MA which will bring the agreement to a new not to exceed amount of \$465,720; and
- A construction contract with Access Systems, Inc. for an amount not to exceed \$299,055 for the SCC.

Additional funding required for the Convention Center Complex Renovation Project (M17100100) will be transferred from existing projects as shown in the table below:

Project Description	Project #	Fund - Fund Name	Amount (\$)
Facility ADA Compliance Program	C13000400	6010 - Community Center	\$400,000
Community Center Improvements Program	M17100000	6010 - Community Center	\$500,000
Convention Center Audio-Visual Improvements Program	M17100300	6010 - Community Center	\$105,418
Convention Center Chiller Upgrade Program	M17100500	6010 - Community Center	\$48,000
Community Center Security System Program	M17100700	6010 - Community Center	\$150,000
Convention Center Durable Equipment Replacement Program	M17101600	6010 - Community Center	\$1,000,000
Memorial Auditorium Improvements Program	M17101000	6010 - Community Center	\$170,000
Total			\$2,373,418

Local Business Enterprise (LBE): The contractor for the SCC project (AECOM-Hunt Construction) and the contractor for the CCT and MA projects (Kitchell CEM) are both LBE firms. Salaber Associates, Inc. is based in Dixon and Rancho Cordova and is not an LBE firm.