

REPORT OF GENERAL MANAGER

NO. 01-282

DATE August 8, 2001

C.D. 06

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: VAN NESS RECREATION CENTER - CHILD CARE CENTER (#1603E) -
CHANGE ORDER TO CONTRACT NO. 2875

J. Combs _____
A. Coroalles _____
J. Duggan J.D.
J. Kolb _____

H. Fujita _____
*M. Tamuri _____
M. Matthews _____

Margorie Matthews for

General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that the Board approve the unilateral change order in the amount of \$24,457.73 with no extra time extension granted for addition to Contract No. 2875 for the work outlined in the body of this report.

SUMMARY:

On December 9, 1998, the Board awarded a construction contract in the amount of \$1,040,000.00 to Sunpeak Construction, Inc. under Board Report No. 522-98 for construction of Van Ness Recreation Center - Child Care Center.

As construction progressed during the month of April 2001, additional building down spouts and site drainage systems for the side yard and the parking lot were required to be installed by the Department of Building and Safety in order to comply with the building code. Both items were not indicated on the contract documents.

On April 5, 2001, Department staff requested the contractor provide the quotation for the extra work, the contractor submitted the first cost estimate for the change on May 17, 2001. The final cost estimate in the amount of \$69,037.11 along with the request for ninety (90) days of time extension was submitted on May 24, 2001. Department staff spent an enormous amount of time and effort reviewing the proposal and found it unacceptable. The submitted price was overly inflated with unreasonable backup documentation, excessive manpower analysis, and unrelated work claims. The claim for time delay was also not justified due to the following two reasons. First, the contractor should be responsible for time delay due to his failure to provide cost information in a timely manner. Per contract General Provision, Section 48 (d), the contractor should submit change orders

REPORT OF GENERAL MANAGER

PG. 2

NO. 01-282

to the Department within fifteen (15) days of the request for change. Second, there was no Department approved updated construction schedule demonstrating the extra work would directly impact the critical path of the project. There were many concurrent works before the pre-final inspection on June 11, 2001 while the extra work could have been performed.

With the above mentioned facts, the contractor left the Department staff with no option but to issue an unilateral change order in the amount of \$24,457.73 with no additional time extension granted in accordance with General Provision, Section 48 (e).

Funds are available for construction in Fund 43K, Account N213.

Prepared by Willis Yip, Project Manager.