



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 21-139, **Version:** 1

DATE: March 23, 2021

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Adopt Resolutions Authorizing the City Manager to Increase the Consultant and Construction Contracts for the 21st Century Library - Heritage Plaza Project and Appropriate Funds

RECOMMENDATION

That the Council adopt resolutions (Attachments II, III, and IV) to:

1. Appropriate \$850,000 of Measure C funds to Project 06988 - 21st Century Library and Community Learning Center and Heritage Plaza Restoration;
2. Authorize allocation of \$400,000 to the 21st Century Library Project's construction contract with T.B. Penick and Sons, Inc; and
3. Authorize allocation of \$100,000 to the 21st Century Library Project's consultant services contract with Noll + Tam and authorize the City Manager to execute an amendment to that contract.

SUMMARY

A construction contract for the 21st Century Library Project was awarded to TB Penick & Sons, Inc., (TBP) in the amount of \$52,550,000 on September 15, 2015. The TBP contract was increased to \$52,948,512 after receipt of a State of California Department of Housing and Community Development grant of \$398,512 for the Hayward Heritage Plaza construction. Construction of the library was expected to be complete within eighteen months of the Notice to Proceed that was issued as of January 4, 2016.

The project has experienced numerous delays due to project management turnover and late subcontractor payments, as well as for reasons such as contaminated soil removal, the COVID pandemic, and wildfire smoke concerns. There have been 385 Potential Change Orders (PCOs) submitted by TBP. Of these PCOs, 270 have been negotiated and approved, 64 have been rejected and 51 are still under discussion or awaiting additional documentation from TBP. Change orders for over \$1.2 million were approved for soil remediation efforts, public art, donor signage, and café tenant improvements.

Because of the extended project duration of over 3.5 years and unanticipated costs associated with the

soil remediation efforts, an additional project appropriation of \$850,000 from Measure C funds is being requested for \$400,000 for construction contract administrative change orders to TBP, \$100,000 for an amendment to the professional services consultant contract with Noll + Tam, \$150,000 for construction administration, inspection and testing activities, and \$200,000 for anticipated outside legal services.

ATTACHMENTS

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| Attachment I | Staff Report |
| Attachment II | Appropriation Resolution |
| Attachment III | Contract Increase Resolution for TB Penick |
| Attachment IV | Contract Increase Resolution for Noll + Tam |