

**RESOLUTION NO. 107-2010**

*Adopted August 17, 2010*

**AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A FIRST AMENDMENT WITH ALTEN CONSTRUCTION, INC., A CALIFORNIA CORPORATION, TO INCREASE THE CONTRACT AMOUNT BY \$679,431 AND TO APPROVE CHANGE ORDERS FOR AN AGGREGATE AMOUNT NOT TO EXCEED \$2,714,372 FOR THE COMMUNITY FACILITIES DEMONSTRATION PROJECT AT LOT D, SUBJECT TO AUTHORIZATION BY THE ECONOMIC DEVELOPMENT ADMINISTRATION; HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA**

**BASIS FOR RESOLUTION**

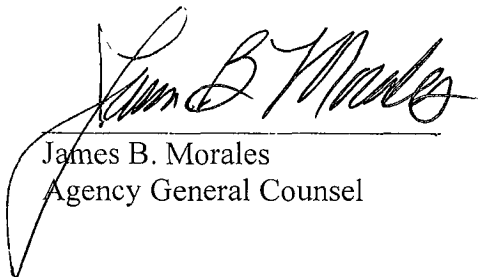
1. On December 16, 2009, Agency staff advertised a Request for Qualifications ("RFQ") for the Community Facilities Demonstration Project ("Project") calling for a building that integrates sustainable design elements in a demonstrative way. At the conclusion of the selection process on April 6, 2010, the Commission authorized, by Resolution No. 35-2010, a design-build contract in the amount of \$2,034,941 with Project FROG, Inc. to construct a 5,000 square foot building with a flexible, open floor plan less tenant finishes. Subsequently, the Redevelopment Agency of the City and County of San Francisco ("Agency") entered into a design-build contract with Alten Construction, Inc., which was a co-applicant with Project FROG, Inc.
2. Because this Project is being funded primarily through a grant from the U.S. Department of Commerce, Economic Development Administration ("EDA"), the Agency must comply with the grant guidelines and applicable federal requirements. Staff has proposed to administratively transfer grant monies from another EDA grant to fund sustainable elements and discrete items of work as originally contemplated for the Project and as described in the RFQ.
3. The Project is near the mid-point of construction having revealed differing site conditions requiring costly scope changes. Additionally, site specific costs to implement Department of Public Health regulations have exceeded the initial budget.
4. Alten Construction, Inc. has submitted cost proposals to make the necessary changes. Staff finds the proposals acceptable and has prepared a change order in the amount of \$279,431 to effectuate these changes.

5. In addition, Alten Construction, Inc. has submitted cost proposals for compliance with Department of Public Health regulations, for infrastructure for an electric vehicle charging station, and a program level budget for the sustainable design elements and discrete items of work. Staff finds the proposals acceptable and has prepared a change order in the amount of \$400,000 to effectuate these changes. The implementation of these items is proposed to be by the selected design-build entity led by Alten Construction, Inc., subject to EDA authorization.
6. The Agency now desires to amend the design-build contract with Alten Construction, Inc., approve the two change orders, subject to EDA authorization of the grant transfer, and increase the budget for design-build services.
7. Agency authorization of the amendment to the design-build contract and approval of the two change orders would allow for the changes to the construction program but would not materially change the conceptual design to be completed by Alten Construction, Inc. This action is an Agency administrative activity that is not a Project, as defined by California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5). The amendment to the design-build contract and approval of the two change orders will not independently result in a physical change in the environment and is not subject to environmental review under CEQA.

## **RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute a First Amendment with Alten Construction, Inc., a California corporation, to increase the contract amount by \$679,431 and to approve change orders for an aggregate amount not to exceed \$2,714,372 for the Community Facilities Demonstration Project at Lot D, subject to authorization by the Economic Development Administration and substantially in the form lodged with the Agency General Counsel.

**APPROVED AS TO FORM:**



James B. Morales  
Agency General Counsel