

Mayor and Council Communication

DATE: 12/14/21

M&C FILE NUMBER: M&C 21-0982

LOG NAME: 21HAZEL HARVEY PEACE CENTER FLOOR REPAIR

SUBJECT

(CD 8) Authorize the Execution of a Settlement Agreement with Imperial Construction, Inc. to Settle All Claims Regarding Foundation Issues at Hazel Harvey Peace Center, Authorize Execution of a Construction Contract with Imperial Construction, Inc., in an Amount Not to Exceed \$335,000.00, for Floor Repairs to the Hazel Harvey Peace Center; Adopt Attached Appropriation Ordinance and Amend the Fiscal Years 2022-2026 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of a settlement agreement with Imperial Construction, Inc. to settle all claims associated with foundation issues at the Hazel Harvey Peace Center;
 2. Authorize execution of a construction contract with Imperial Construction, Inc., in an amount not to exceed \$335,000.00 for floor repairs at the Hazel Harvey Peace Center;
 3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the General Capital Projects Fund in the amount of \$335,000.00, from available funds, for the purpose of funding the Recurring Facility Maintenance and Repairs Programmable Project (City Project No. P00049), and
 4. Amend the Fiscal Years 2022-2026 Capital Improvement Program.
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DISCUSSION:

The Hazel Harvey Peace Center was constructed by Imperial Construction, Inc. ("Imperial") in 2009. In the following years the main lobby area developed cracking and buckling of the floor. The City hired Renate L. Woods, P.E. to conduct a structural review of the Hazel Harvey Peace Center. Renate L. Woods found that improperly placed or failed carton forms used in pouring the foundation caused the foundation defects. Further, they recommended replacement and repairs of the foundation defects. The City determined that the replacement and repairs will cost approximately \$335,000.00.

Imperial worked closely with the City in our efforts to discover the cause of this problem and find a repair. They have been a partner in working with their insurance company to reach this negotiated settlement. The Settlement Agreement requires a transfer to the City, of \$335,000.00 from Imperial's insurance company and in exchange the City will sign a construction contract for the same amount for Imperial to do the remediation work at the Hazel Harvey Peace Center.

City staff is confident that Imperial will be able to address the foundation issues successfully as they have completed a number of projects for the City, including the Meacham Terminal building, to City staff's full satisfaction.

Funding: Funding for this project was not included in the FY2022-2026 Capital Improvement Program. This project is the result of a latent construction defect discovered years after the completion of the project. This action in this M&C will amend the FY2022-2026 Capital Improvement Program as approved in connection with Ordinance 24446-09-2020.

Permit Fees: In accordance with the City Code of Ordinances, Part II, Chapter 7-1 Fort Worth Building Administrative Code, Section 109.2.1, Exception 2; "Work by non-City personnel on property under the control of the City of Fort Worth shall be exempt from the permit fees only if the work is for action under a contract that will be or has been approved by City Council with notes in the contract packages stating the fee is waived."

Diversity and Inclusion: Imperial Construction, Inc. is in compliance with the City's Business Equity Ordinance by committing to 29% Business Equity participation on this project.

The Hazel Harvey Peace Center is located in **COUNCIL DISTRICT 8**.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds will be available in the current capital budget, as appropriated, of the General Capital Projects Fund. Prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: Steve Cooke 5134

Additional Information Contact: Brian Glass 8088