

COUNCIL AGENDA: SEPTEMBER 16, 2014

SUBJECT: PLANO BRIDGE – AUGMENT TO CONSTRUCTION MANAGEMENT AND CONSTRUCTION SUPPORT SERVICE AGREEMENTS

SOURCE: Public Works Department - Engineering Division

COMMENT: Physical work on the Plano Street/Tule River Bridge Rehabilitation & Widening Project is going well. Traffic has been shifted on the new bridge to the west side lanes. The current schedule shows project completion by the end of November 2014, which is approximately 3½ months behind the original schedule. Time overrun is due to multiple issues faced during construction including, but not limited to, the presence of asbestos conduit under the existing sidewalk, relocation of AT&T line by AT&T's contractor to the new bridge, conflict of existing SCE 12KV line with the new bridge abutments, shallow existing retaining wall foundation at the VCR property, sewer lateral conflict with the new retaining wall at VCR property, retrofit of hinges and alleged difficult pile driving conditions at bridge foundations as claimed by the Contractor.

Some of the above stated causes are being deferred for award of extra time consideration until the end of construction. The reason to defer is the complex nature of some of the alleged claims by the Contractor. The City project manager and construction management consultant are documenting and tracking the delays and plan to resolve disputed items with the Contractor in the near future. The contract allows the City to charge \$1500 per calendar day for any time delay. As soon as the disputed items are settled with the Contractor, staff will know actual liquidated damages charges.

Under the original construction schedule, the project was expected to be complete by July 30, 2014 (11½ months). The City's construction management consultant, VSCE, submitted their proposal prior to the construction contract and based upon an earlier estimate of 11 month construction period. The City accepted VSCE's proposal based on this schedule. The new construction completion schedule will be on or about November 21, 2014. A \$250,000 augmentation to VCSE's contract is necessary in order to keep the construction management team in place for the duration of the project. The federal portion of the \$250,000 will be \$221,325 and the local share will be \$28,675.

In December 2012, prior to the opening of construction bids, the City awarded a construction support service agreement with the bridge design firm Nolte & Associates, now known as NV5. Staff estimated the cost of

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this service agreement at \$100,000 but was able to negotiate a service agreement with NV5 for \$88,400. This fee was calculated based on a construction estimate of \$7.5 million.

Six months later the City opened bids on the Plano Street/Tule River Rehabilitation & Widening project. The low bid from Viking Construction was \$10.46 million or 40% higher than the engineer's estimate. NV5 has performed admirably to date, but has expended all of the funds under the original service agreement. NV5 requests, and staff agrees, that a \$30,000 augment to their service agreement is reasonable and justified. The federal share of the additional \$30,000 will be \$26,560 and the local share will be \$3,340.

Funding for the City's local share (\$32,015) is available in the Certificate of Participation (COP) funds reserved for the Plano Bridge project. The augmented amounts to VSCE and Nolte's contracts may be offset by liquidated damage assessments.

RECOMMENDATION: That the City Council:

1. Authorize the Finance director to augment VSCE's service agreement contract by \$250,000; and
2. Authorize the Finance Director to augment NV5's service agreement contract by \$30,000.