



AGENDA MEMORANDUM

Future Item for the City Council Meeting of April 11, 2017
Action Item for the City Council Meeting of April 18, 2017

DATE: March 27, 2017

TO: Margie C. Rose, City Manager

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Approval for Amendments to Construction Inspection Staff Support Contracts

CAPTION:

Motion authorizing City Manager, or designee, to execute amendments for twelve Construction Inspection Staffing Contracts totaling \$1,530,435.50 for providing Construction Inspection Staff Support within the Engineering Services Department.

PURPOSE:

City construction activity is nearing its highest level in several years (See EXHIBIT 1). Engineering Services is currently managing 60 major City construction projects with a permanent inspection staff of 14. To supplement existing staff and to address the spike in construction inspections activity, Requests for Proposals (RFP) for contract inspectors were published in October 2015 and October 2016. The purpose of this agenda item is to amend existing inspector contracts to extend the period of performance for construction inspectors that are already under contract. In order to expedite start of work, inspectors typically begin work under staff-approvable small architect/engineering (AE) agreements. This action will extend the contracts for inspectors to the projected end of their current construction project assignments.

BACKGROUND AND FINDINGS:

Construction Inspectors are essential to the successful delivery of construction projects. Construction Inspectors are responsible for the following activities during construction projects:

- Ensure that contractors are compliant with contract documents, codes and regulations;

- Monitor contractor performance for quality and timeliness;
- Coordinate traffic control plans and other construction impacts with local businesses, residents and other agencies;
- Coordinate City utilities for outages, connections etc. with Operating Departments and local businesses and residents;
- Coordinate with private utilities including AEP, AT&T, Time Warner, etc.;
- Review and recommend progress pay applications for contractors, and
- Implement and coordinate general inspections, special inspections and final inspections.

Engineering Services is currently managing 60 major construction projects with a total contract value of \$253M. Engineering Services also provides quality assurance inspection for the public infrastructure in private subdivision developments. There are 16 current subdivision projects for which Engineering is providing inspections. Engineering Services has historically used a combination of in-house and contract staff resources to accomplish its mission. Current workload demands exceed the capabilities of the existing inspector workforce. EXHIBIT 1 illustrates how Engineering Services' construction workload has evolved over time as the Bond 2012 and Bond 2014 projects have moved into construction. The level of construction activity being managed by Engineering is nearing historic peak levels.

In 2016, Engineering changed the way that construction observation services are procured. Previously, firms were either hired based on the firm's qualifications or inspection services were sole-sourced to the design engineering firm for a negotiated fee. The current process is structured as a best value procurement which evaluates inspectors based on the individual's qualifications and their proposed rate. The selected inspectors begin work under small AE agreements with large agreements later being taken to City Council. That is a necessary element of the procurement approach because Engineering wants firms to propose inspectors with immediate availability.

Contracting inspection services provides the department the ability to respond to a rapidly increasing workload. This new, competitively priced, RFP process has achieved significant savings, increased the level of inspector qualifications and allowed the City to provide a more standardized management approach to construction oversight across the City's entire construction portfolio.

The contracted Construction Inspector work assignments and responsibilities are comparable to City Employee requirements for maintaining regular business work hours and completion of required responsibilities. For example, all inspectors must enter project data on City forms and enter daily reports into the Engineering project management database. The construction inspection contracts include providing a vehicle, computer, phone, personal safety equipment and miscellaneous expenses.

This agenda item authorizes extension of the existing inspector staffing contracts which will be expiring soon. This action extends the periods of service to the projected end of the current inspector assignments.

The following table summarizes the construction inspection staffing contract extensions covered under this agenda item:

| Firm | Inspector | Amendment (THIS ITEM) | Extension Duration |
|----------------|------------------|----------------------------------|-------------------------------|
| AGCM | Bobby Barker | \$140,400.00 | 8 months |
| AGCM | Gene Perkins | \$170,600.00 | 9 months |
| AGCM | George DeLaCerde | \$56,290.00 | 5 months |
| AGCM | Manuel Hernandez | \$69,280.00 | 6 months |
| AGCM | Marcus Garcia | \$65,816.00 | 4 months |
| AGCM | Robert Munoz | \$118,400.00 | 8 months |
| AGCM | Russell Soike | \$140,400.00 | 8 months |
| AGCM | William Hammac | \$55,424.00 | 4 months |
| Ardurra Group | Cary Butters | \$289,385.50 | 26 months |
| Freese Nichols | Arturo Hernandez | \$135,960.00 | 8 months |
| LAN | Andy Vigstol | \$130,400.00 | 8 months |
| LNV, Inc. | Jose DeLeon | \$158,080.00 | 10 months |
| Total | | \$1,530,435.50 | |

ALTERNATIVES:

1. Authorize execution of the Amendments to the Professional Services Agreements.
2. Do not authorize Amendments to the Professional Services Agreements. (Not Recommended)

OTHER CONSIDERATIONS:

Staff will continue to evaluate and amend current recruiting strategies to successfully fill Department vacancies.

CONFORMITY TO CITY POLICY:

This conforms to city policy for procurement of construction support and inspection services.

EMERGENCY / NON-EMERGENCY:

Not applicable

DEPARTMENTAL CLEARANCES:

Engineering Services

FINANCIAL IMPACT:

X Operating ☐ Revenue X Capital ☐ Not applicable

| Fiscal Years 2015-2016 | Current Year | 2016-2017 | TOTALS |
|---------------------------------|-----------------------|------------------|-----------------------|
| Line Item Budget | \$1,530,435.50 | | \$1,530,435.50 |
| Encumbered/Expended Amount | | | |
| This item | \$1,530,435.50 | | \$1,530,435.50 |
| Future Anticipated Expenditures | | | |
| BALANCE | \$0.00 | | \$0.00 |

Fund(s): Street, Utility, and Parks & Recreation CIP

Comments: Construction Inspection Staff Augmentation (CISA) will be charged to various projects in accordance with hours worked in support of each project.

RECOMMENDATION:

City staff recommends approval of the CISA contracts to maintain the current level of inspector support.

LIST OF SUPPORTING DOCUMENTS:

Exhibit 1: Number of major active construction projects
Presentation
Location Map
Contract Amendments with Form 1295 (12)