



AGENDA MEMORANDUM

Future Item for the City Council Meeting of March 19, 2019
 Action Item for the City Council Meeting of March 26, 2019

DATE: March 6, 2019
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**Professional Services Contracts
 Construction Inspection Staff Support
 (Capital Improvement Program and Bond Projects)**

CAPTION:

Motion authorizing multiple amendments to existing contracts with optional renewals to be administratively approved totaling \$1,297,920 for providing Construction Inspection Staff Support for Engineering Services.

1. Award contract amendments to Freese and Nichols – 2 Inspectors at \$413,920
2. Award contract amendments to Heneco – 4 Inspectors at \$696,800
3. Award contract amendment to Maverick Engineering – 1 Inspector at \$187,200

Firm	Inspector	Original Contract	Amendment No. (if applicable)	Contract (THIS ITEM)	Duration	Optional Extensions
Freese Nichols	David Marotta	\$48,000	Amend. No. 3	\$208,000	12-months	(1) one-year renewal
Freese Nichols	Harley Hampton	\$47,520	Amend. No. 3	\$205,920	12-months	None
Heneco	John Hinojosa	\$197,600	Amend. No. 2	\$197,600	12-months	None
Heneco	Julian Pineda	\$176,800	Amend. No. 1	\$176,800	12-months	(1) one-year renewal
Heneco	Gerald Lopez	\$48,000	Amend. No. 1	\$156,000	12-months	None
Heneco	Juan Hernandez	\$48,000	Amend. No. 1	\$166,400	12-months	None
Maverick Engineering	Joe Sandoval	\$49,680	Amend. No. 1	\$187,200	12-months	None
		Total		\$1,297,920		

PURPOSE:

This supplements existing City staff construction inspection with three new contract inspectors, and four extensions of previously approved inspector contracts to support City construction that exceeds the capacity of the existing inspector workforce of 19 City employees.

BACKGROUND AND FINDINGS:

City construction is near its highest activity in recent years with over 60 major construction projects under construction and total contract value in excess of \$250 Million, see Exhibit 1. To meet the design and construction staffing requirements, Engineering Services historically uses a combination of in-house and contract staff resources to accomplish the mission. In 2016, an outside assessment of the Engineering Services Department was conducted that recommended use of “surge” contracted services to address the needs of peak activity levels. This agenda item is consistent with that recommendation.

The City uses a sealed competitive Request for Proposals (RFP) for inspection contract selections with best value evaluations based on the individuals’ qualifications and competitive rates submitted by the respective firms. This process achieves significant savings while increasing the level of inspector qualifications, and allows 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.

Typically, a small Construction Inspection contract (under \$50,000) is required to meet the initial construction start dates, while a large contract amendment is presented to City Council for award. The large contracts establish a period of performance for the inspection to align with the project duration or up to one-year, whichever is shortest. Staff evaluates the available resources and project requirements at the end of the proposed timelines to determine if exercising the extension is required due to resource limitations and construction continuity.

On April 17, 2018, City Council approved 12 of 15 construction inspection contracts, with renewal options (to be approved by Council). These contracts supplemented the City workforce of 19 City fulltime positions (3 vacant positions in April). Currently all 19 City inspector positions are full with vacancies for the Construction Manager and Assistance Construction Manager positions. This item with the extensions and new positions proposes to bring the total contract inspection positions to 13. Two of the existing inspector contracts will be complete within 60-90 days.

This item extends 4 of the 12 previously Council approved construction inspection contracts and provides 3 new inspection contract positions for new projects. The new projects consist of street, facility renovations/alterations, utility projects and the Harbor Bridge Replacement Project City utility adjustments. Engineering Services provides inspection for the 47 private subdivision work City-wide with 38 upcoming subdivision projects.

Construction Inspectors are essential to the successful execution of construction projects. Responsibilities include:

- Daily onsite monitoring to ensure that contractors are compliant with contract documents, codes and regulations
- Daily quality assurance of the contractor’s performance for quality control with materials and workmanship

- Coordinate and monitor 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.
- Regular project progress monitoring and tracking to adequately review and recommend progress pay applications from the contractors
- Implement and coordinate proper material testing, general inspections, special inspections and final inspections
- Contract closeout and warranty phase support

ALTERNATIVES:

1. Authorize execution of professional services contract. (Recommended)
2. Do not authorize execution of contract. (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:

Operating Revenue Capital Not applicable

Fiscal Year 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Budget		1,297,920		1,297,920
Encumbered / Expended Amount				
This item		1,297,920		1,297,920
Future Anticipated Expenditures This Project				
BALANCE		0		0

Fund: Street and Utility CIP, Operating Budgets

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
Contracts