


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: James M. Smith, Senior Civil Engineer
VIA: Dan Takasugi, Public Works Director/City Engineer
DATE: January 6, 2009
SUBJECT: Consideration of a Resolution Approving Amendment No. 1 to the Professional Services Agreement with TRS Consultants, Inc. in the Amount of \$56,000 for Additional Services Related to the 2007 Pavement and Utility Project and Authorizing the City Manager to Execute the Agreement

APPROVAL FOR FORWARDING:


James C. McCann, City Manager

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ISSUE:

Consideration of a Resolution approving Amendment No. 1 to the Professional Services Agreement with TRS Consultants, Inc. in the amount of \$56,000 for additional services related to the 2007 Pavement and Utility Project and authorizing the City Manager to execute the Agreement.

RECOMMENDATION:

Adopt the Resolution.

BACKGROUND/DISCUSSION:

On September 4, 2007, the City Council approved two contracts related to the 2007 Pavement and Utility Project. The first was a construction contract which was awarded to Team Ghilotti, Inc. in the amount of \$1,448,266 to construct the project. In addition, the City Council awarded a Professional Services Agreement with TRS Consultants, Inc. in the amount of \$131,290 to provide construction management and inspections services for said project.

22 The construction contract was scheduled to be completed in late December 2007,
23 and the scope and budget for the associated construction management and
24 inspection services were established to cover that same schedule. However, due
25 to weather delays and various construction issues and difficulties over the course
26 of the project, the project was not completed until early March 2008. This increase
27 in the construction duration required the construction management and inspection
28 staff to be working on the project for a substantially longer period of time than
29 budgeted.

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31 In addition, the level of effort required by the construction management and
32 inspection staff was higher than anticipated, primarily due to two reasons. The
33 first is the overtime that was required during certain construction periods,
34 especially during actual paving operations. Second, the contractor often was
35 performing work at multiple areas simultaneously, and in order to assure the
36 quality of the work, construction observation and inspection services were
37 occasionally needed to be provided by two inspectors.

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39 The extended duration of the project, along with the more intensive inspection and
40 overtime requirements, resulted in management and inspection costs increasing
41 by approximately \$40,000. In addition to these costs, the City has requested
42 additional services from TRS' Construction Manager in the City's ongoing efforts to
43 reach a final settlement of all contract issues with the construction contractor,
44 Team Ghilotti, Inc. Approximately \$16,000 of the proposed amendment is for
45 these contract settlement and close-out services.

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47 Although the City has not reached a final agreement with Team Ghilotti, Inc.
48 regarding the final payment for this project, it remains the City's view that the
49 project delays that occurred are not fully excusable, such that the contractor will be
50 responsible for liquidated damages for late completion, as set forth in the contract.
51 These liquidated damages funds would offset approximately one half of the cost of
52 this proposed amendment. Furthermore, the approved project budget includes
53 sufficient contingency funds to pay for this amendment.

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55 **FISCAL IMPACT:**

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57 The total project budget, including construction costs plus engineering design,
58 construction management and inspection, and contingency, is approximately
59 \$1.82 million. The breakdown of the project budgetary costs are shown below, as
60 they are apportioned between the Streets, Water, and Wastewater components of
61 the budget:
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	Total	Streets	Water	Wastewater
Design	\$120,000	\$64,000	\$28,000	\$28,000
CM/Inspection	\$132,000	\$44,000	\$44,000	\$44,000
Construction	\$1,450,000	\$802,000	\$369,000	\$279,000
Contingency	\$120,000	\$40,000	\$40,000	\$40,000
Total	1,822,000	\$950,000	\$481,000	\$391,000

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Funds were budgeted in the FY 06-08 Capital Improvement Budgets (Streets, Water, and Wastewater) for the implementation of this project. For the street portion of the project, it is noteworthy that the funding sources include a \$400,000 allocation from the Proposition 1b funds that were approved by the voters in November 2006.

ATTACHMENTS:

1. Resolution
2. Amendment No. 1

AMENDMENT NO. 1
PROFESSIONAL SERVICES AGREEMENT
(Construction Management and Inspection Services
in connection with the 2007 Pavement & Utility Project)

This AMENDMENT NO. 1 to the Agreement between the City of Calistoga and TRS Consultants, Inc. (hereinafter Amendment No. 1) is hereby entered into as of the ____ day of December 2008, by and between the City of Calistoga, a municipal corporation (hereinafter referred to as "City") and TRS Consultants, inc. (hereinafter referred to as "Service Provider").

RECITALS

WHEREAS, City and Service Provider have previously entered into a Professional Services Agreement for construction management and inspection services in connection with the 2007 Pavement and Utility Project (herein referred to as "Agreement"), said agreement being dated September 4, 2007; and

WHEREAS, City and Service Provider now desire to enter into this Amendment No. 1 to provide the additional services described in "Proposal for Additional Construction Management and Inspection Services" dated December 9, 2008.

NOW, THEREFORE, the parties do hereby mutually agree to amend the Agreement as follows:

1. Under Paragraph 1 of the Agreement (Scope of Service) Subsection A is added as follows:

A. Subject to such policy direction and approvals as the City through its staff may determine from time to time, Service Provider shall perform the additional services set out in the "Proposal for Additional Construction Management and Inspection Services" dated December 9, 2008, attached hereto as Exhibit "A" and incorporated herein by reference.

2. Under Paragraph 2 of the Agreement (Scope of Service) Subsection A is added as follows:

A. The Service Provider shall perform the additional services as set forth in the "Proposal for Additional Construction Management and Inspection Services" dated December 9, 2008, including extended and additional construction management and inspection services for the subject project, with said services being completed not later than January 31, 2009. Any changes to these dates must be approved in writing by the Public Works Director or his or her designee.

3. Under Paragraph 3 (Compensation and Method of Payment) Subsection A1 and C1 are added as follows:

A1. Compensation. The compensation for said additional services to be paid to Service Provider, including both payment for professional services and reimbursable expenses, shall be at the rate and schedule included in Exhibit "A," being the Scope of Services (Amendment #1), Proposal for Additional Construction Management and Inspection Services for the Calistoga Community Pool Project, dated December 9, 2008, attached hereto and incorporated herein by reference. However, in no event shall the total compensation for said additional services exceed Fifty Six Thousand Dollars (\$56,000). Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment. The total compensation for the services included in the original Agreement, plus the additional services included in Amendment No. 1 shall not exceed One Hundred Eighty Seven Thousand Two Hundred Ninety Dollars (\$187,290).

C1. Changes in Compensation. Service Provider shall not undertake any work for said additional services under Amendment No. 1 that will incur costs in excess of Fifty Six Thousand Dollars (\$56,000).

4. Except as specifically modified by prior Amendment No. 1 all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City and Service Provider have executed this Amendment No. 1 as of the date first above written.

CITY OF CALISTOGA

TRS CONSULTANTS, INC.

By: _____
James C. McCann
Title: City Manager

By: _____
James Michael Schaaf
Title: Vice President

APPROVED AS TO FORM:

Michelle Marchetta Kenyon
City Attorney

ATTEST:

Susan Sneddon
City Clerk



TRS Consultants, Inc.

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925/275-9870
925/275-9930 FAX
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ISO 9001:2000
FS 52764



Engineers • Construction Managers
Civil Rights & Labor Compliance Managers

December 9, 2008

Mr. Jim Smith, PE
Senior Civil Engineer
City of Calistoga
414 Washington Street
Calistoga, CA 94515

**Subject: Construction Management, Inspection and Related Services for the :
2007 Pavement and Utility Project
TRS No. 20271**



Dear Mr. Smith:

In consideration to the planned project schedule and estimated time of completion, the actual project completion extended beyond that which was expected and was actually completed in March of 2008. As you are aware, our current contract as estimated was to expire late December '07. With this in mind, we respectfully request a contract extension in time and budget through the end of January '09 to both compensate us for the additional CM/Inspection costs incurred at the City's request and the continuation of our project construction management and close-out support as requested for the duration of the contract for final settlement purposes as anticipated.

The additional CM/Inspection costs incurred and the current and expected additional budgetary CM support per the requested contract extension is broken down at \$40,000 and \$16,000 respectively in an effort to compensate TRS for the additional requested CM and inspection support services totaling an aggregate amount of \$56,000. Full details of the subject CM/Inspection costs will be fully detailed via project invoicing documents, in the manner established and approved for the original scope of the work.

Should you have any questions or wish to discuss further, please feel free to contact me at (925)275-9870.

Sincerely,

James M. Schaaf, P.E.
Project Manager

CC: CM
ACCTG
File