



Administrative Report

H.9., File # 22-4383

Meeting Date: 6/21/2022

To: MAYOR AND CITY COUNCIL
From: TED SEMAAN, PUBLIC WORKS DIRECTOR

TITLE

APPROVE THE THIRD AMENDMENT TO THE AGREEMENT WITH ARDURRA GROUP INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE REDONDO BEACH TRANSIT CENTER PROJECT, JOB NO. 20120 FOR AN ADDITIONAL AMOUNT OF \$125,000 FOR THE EXISTING TERM

EXECUTIVE SUMMARY

Ardurra Group Inc. (Ardurra) provides services to manage the construction efforts to complete the Redondo Beach Transit Center Project. These services include contractor management, construction inspection, contractor and subcontractor payroll review, and geotechnical, and materials testing services. As construction has progressed, the demand for support services provided by Ardurra has increased due to necessary plan revisions, changes to contractor scope, and unforeseen circumstances.

The original agreement was amended in May 2021. A second amendment was awarded in February 2022. Additional project delays and extensions have occurred, requiring more time (hours) for the services provided by Ardurra. Staff is now recommending this Third Amendment to increase the contract value by \$125,000 for a total not to exceed amount of \$1,335,000. Funding for this agreement and the Redondo Beach Transit Center Project is composed entirely of grants and restricted transportation funds. No additional funding is needed to award this Third Amendment.

BACKGROUND

On December 17, 2019, the City Council approved a Construction Management agreement with Ardurra Group Inc., based on actual time and materials, in the amount of \$600,000 to provide Construction Management services during construction of the Redondo Beach Transit Center Project.

At the time, the City had negotiated the total price downward from Ardurra's proposal due to some uncertainty of timing regarding additional funding for the project. Ardurra was willing to lower the contract value provided the number of expected hours was reduced, and that the option existed to amend the agreement should additional time and effort be required.

After the original award, the City secured additional grant funding from Metro (in the amount of \$2.75 M) for the project. The City awarded the First Amendment to provide necessary funding to increase the contract value from the spartan estimate provided at the time the contract approval and before the additional funding was available. A Second Amendment was awarded in February 2022 to

account for project delays related unforeseen field conditions and design deficiencies. A copy of the original agreement, and previous amendments can be viewed at:

<http://laserweb.redondo.org/weblink/0/doc/332745/Page1.aspx>

The project continues to be impacted by unforeseen conditions, design deficiencies, and small changes in scope that require increased services from Ardurra. The contractor now estimates the transit center portion of the project to be in service during August 2022 and some of this time is justified due to conditions beyond the company's control. Ardurra, working as an extension of staff to oversee and inspect the onsite activities, requires additional contract hours to continue to provide that service.

Ardurra has performed well and is providing important services to ensure the project is implemented as efficiently and economically as possible. Therefore, staff recommends the proposed Third Amendment to the agreement be approved, increasing the contract value by \$125,000 for a new not to exceed amount of \$1,335,000.

COORDINATION

The Third Amendment was prepared by and approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for this agreement and the Redondo Beach Transit Center Project is composed entirely of grants and restricted transportation funds. The funds for this amendment are available in the overall project budget and require no additional appropriation.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENT

Third Amendment to Ardurra Group, Inc., w/ signature, and Certificate of Insurance