



Administrative Report

H.11., File # 21-2384

Meeting Date: 5/18/2021

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

TITLE

APPROVE THE FIRST 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 \$317,753.78 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$917,753.78 FOR THE EXISTING TERM

EXECUTIVE SUMMARY

Ardurra Group Inc. (Ardurra) provides services to manage the construction efforts to complete Phases 1 and 2 of 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 as provided by Ardurra has increased by inclement weather delays, necessary plan revisions, and unforeseen circumstances including debris in the soil during excavation which caused further delays. The First Amendment to the agreement, increasing the contract value by \$317,753.78 to a new not to exceed amount of \$917,753.78 is recommended by staff. Funding for this agreement and the Redondo Beach Transit Center Project is composed entirely of restricted transportation and grant funds.

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, following the issuance of an RFP for these services, the City 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 as long as there was some reduction in the expected number of hours, with the understanding that if the project required additional time and effort, the City would consider an amendment for the additional work. Since the original award, the City has secured the additional funding from Metro (in the amount of \$2.75 M) for the project.

After the project had been underway for some time and the nature of project complications became better understood, the City asked Ardurra to provide an estimate of the additional hours needed to complete their work and to provide for the ancillary sub-contracts (for materials testing, special inspection, etc.) based on current experience with the project so far. The combination of unexpected

subsurface conditions at the site, plans that were somewhat “stale” given the long gap between design and construction and other delays related to utility requirements and scheduling conflicts with nearby commercial neighbors, have led to a project timeline and work demand that was greater than the City’s spartan estimate at the time this contract was awarded. Ardurra has performed well and is providing important services to ensure the project is implemented as efficiently and economically as possible. Therefore, staff recommends this First Amendment to the agreement be awarded, increasing the contract value by \$317,753.78 to a new not to exceed amount of \$917,753.78.

COORDINATION

The First 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 restricted transportation and grant funds. The funds for this amendment are available in the overall project budget and require no additional appropriation.

APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

1. First Amendment
2. Original Agreement
3. Insurance