

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 08/25/08		Item Number: <u>A-6</u>	
AGENDA ITEM: Terminate the Design-Build Contract With Fast-Track Construction Corporation for the Firing Range Rehabilitation Project, P-832			
Contact Person/Dept.: Elaine Jeng/PW, Hong Wang/PW		Phone Number: (310) 253-5621, (310) 253-5604	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Public Notification: Master E-Mail Notification List (08/20/08); Fast-Track, via mail on August 15, 2008			
Department Approval: Charles D. Herbertson (08/18/08)		City Attorney Approval: Carol Schwab (by H. Baker) (08/19/08)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (8/20/08)		City Manager Approval: Jerry B. Fulwood (08/20/08)	
<u>RECOMMENDATIONS:</u> Staff recommends the City Council terminate the design-build contract with Fast-Track Construction Corporation (Fast-Track) for the Firing Range Rehabilitation Project, P-832. <u>BACKGROUND:</u> In August 2006, a Request for Proposal was released to solicit bids for the design-build of the Police Department Firing Range rehabilitation project, P-832. There were three proposals received. In January 2007, the City Council awarded a contract with Fast-Track in the amount of \$581,772.25. A pre-design meeting was conducted with Fast-Track and it was brought to staff's attention that the bid documents did not include soundproofing as a part of the project. In February 2007, staff requested Fast-Track to provide a cost proposal from an acoustic engineer to conduct a study of a recommended soundproofing system for the firing range. After several interviews with acoustic engineers, Fast-Track provided a proposal from an acoustic engineering firm in April 2007. Staff directed Fast-Track to proceed with the soundproofing study and it was completed in November 2007. At the completion of the study, a change order (CCO 3) was presented by Fast-Track to incorporate the recommendations in the soundproofing study to the construction plans. The following are all the change orders requests for the project:			

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Contract Change Order 1 (CCO 1)

Staff directed Fast-Track to purchase a wireless target system on behalf of the City through the design-build contract. CCO 1 was approved in the amount of \$19,212 to purchase 5 modular shooting targets.

Contract Change Order 2 (CCO 2)

In April 2007, this change order was approved in the amount of \$20,786 for the acoustical engineering consultant sound proofing study of the firing range.

Contract Change Order 3 (CCO 3)

In December 2007, Fast-Track requested a change order amount of \$36,681.59 and contract extension of 130 calendar days for the additional architectural design fees to incorporate the proposed soundproofing system components in the project construction plans. CCO 3 was not fully approved by staff due to the unreasonable amount of time extension requested with the work.

Contract Change Order 4 (CCO 4)

CCO 4 was submitted in June 2008 in the amount of \$446,926, mostly for the additional cost attributed to labor and material to construct the soundproofing system. CCO 4 by itself nearly doubles the original contract amount. The large amount of CCO 4 was not anticipated by staff. The total cost to construct the firing range as it is currently designed is \$1,015,368.

DISCUSSION:

Staff has solicited an independent architecture firm (McClaren, Wilson and Lawrie, Incorporated¹) with experience in firing range design and construction to evaluate the proposed design and provide a peer review and recommendation to the City. The architect's opinion was that the proposed soundproofing of the firing range is over designed and more costly to construct than other soundproofing systems for

¹ McClaren, Wilson & Lawrie, Inc., based in Phoenix, Arizona, is an architect firm that specializes in the programming, planning, and design of civic and public safety facilities. They have designed more than 100 police stations (many that include firing ranges) and over 90 crime labs/medical examiner facilities throughout North America. James Lewis McClaren, a Registered Architect is specialized in law enforcement, firearms proficiency, & forensic science laboratories. Since 1982, Mr. McClaren has devoted his career to the master planning, programming and design of law enforcement, forensic science and forensic pathology facilities throughout North America.

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similar firing ranges. It is the recommendation of McClaren, Wilson and Lawrie, Inc. that a more cost effective soundproofing system can be designed and constructed while still meeting the existing budget amount and fulfilling the operational needs of the Police Department.

Due to the proposed change order cost that greatly exceeds the available project budget, staff recommends that the City Council terminate its contract with Fast-Track and re-evaluate its design and construction options so that a firing range can be constructed that will both meet the department's needs and budgetary constraints

The General Condition provision of the contract document, Article 14.3, "Termination by City Without Cause" states, "Without limitation upon any of the City's other rights or remedies at law or in equity, the city shall have the option, at its sole discretion and without cause, to terminate the Design-Build Contract, in whole or in part, by giving fourteen (14) Day's written notice to the Design-builder as provided herein." Upon contract termination, the City shall pay to the Design-Builder for the work already performed under the Design-Build Contract.

FISCAL ANALYSIS:

The Police Firing Range project (P-832) is funded by Fund 416, Asset Seizure fund account. The original budget for this project in FY 2004-05 was \$630,000, which was subsequently increased by a total of \$300,000 in FYs 2005-06 and 2007-08. Therefore, the total budget amount is \$930,000. To date, just under \$230,000 has been expended, leaving a balance of just over \$700,000. Of the total amount expended to date, \$65,410 has been expended on the contract with Fast-Track Construction. The remaining amount was spent on Architectural fees for the conceptual design that was used in the Design/Build RFP process, abatement of lead contamination, and demolition of the old firing range. The available funds for the firing range construction will be reduced by the amount the City owes, if any, to Fast-Track for work performed that has not been compensated to date. This amount will be determined through discussions with Fast-Track. The project does not have adequate funding to pay for the construction as it is currently designed.

ATTACHMENTS:

1. Article 14.3 of the General Conditions of the contract documents.

MOTIONS:

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That the City Council:

- 1) Terminate the Police Firing Range Rehabilitation Design-Build contract with Fast-Track Construction Corporation per Article 14.3 of the General Conditions of the contract documents; and
- 2) Authorize the City Attorney to review/prepare the necessary documents for the contract termination and authorize the City Manager to execute such documents on behalf of the City.