

**City of Culver City, California
Agenda Item Report**

Meeting Date: 01/30/12	Item Number: <u>JC-1</u>
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: Approval of Professional Services Agreements with The Nickerson Company for 1) General Public Works Inspection Services to Provide Inspection Services for the Public Works Department/Engineering Division Relating to the Exposition Light Rail Transit Project and Reimbursement of Additional Costs Related to Third-Party Geotechnical Analysis; and 2) Construction Management and Construction Inspection Work Performed on the Sepulveda MTA Grant Project.	
Contact Person/Dept.: John Rivera / PWD Michael Pasternak/CDD Todd Tipton/CDD	Phone Number: 310-253-5616 310-253-5708 310-253-5783
Fiscal Impact: Yes ☒ No ☐	General Fund: Yes ☐ No ☒
Public Hearing: ☐	Action Item: ☐ Attachments: ☐
Commission Action Required: Yes ☐ No ☒ Date: _____	
Public Notification: (E-Mail) Meetings and Agendas – City Council: (E-Mail) Meetings and Agendas – Redevelopment Agency and The Nickerson Company (01/27/12)	
Department Approval: Charles D. Herbertson (01/12/12) Sol Blumenfeld (01/26/12)	City Attorney Approval: Carol Schwab (by H. Baker) (01/25/12) Agency General Counsel Approval: Murray Kane (01/26/12)
Chief Financial Officer Approval: Jeff Muir (by N. Kimball)(01/26/12)	City Manager/Executive Director Approval: John M. Nachbar (01/26/12)
<u>RECOMMENDATION:</u> Staff recommends the City Council approve the following professional services agreements with The Nickerson Company: 1. Continued support to the Public Works Department/Engineering Division, on an as-needed basis, for general public works inspection on the Exposition Light Rail Transit Project (Expo LRT Project) in an amount not-to-exceed \$15,000 and to reimburse the City's account that was used to pay The Nickerson Company, for \$7,119.25 in costs related to a third-party geotechnical analysis related to Expo LRT Project improvements in the City's public right-of-way, for a total contract amount not-to-exceed \$22,119.25; AND 2. Construction management services provided for Sepulveda Boulevard Pedestrian Improvements, P-797 - Federal Aid Project No. STPLER-5240(013) in the final contract amount of \$56,787.50.	

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BACKGROUND / DISCUSSION:

Agreement Re Expo LRT Project

The Metropolitan Transportation Authority (Metro) is constructing the 9.6-mile light rail transit line along the Metro-owned Exposition Right-of-Way from the existing Metro Light Rail Transit (LRT) station at 7th/Metro Center in downtown Los Angeles to the Venice/Washington Boulevard area in Culver City. This is known as Phase 1 of the project. The Exposition Metro Line Construction Authority (Authority) was created by the California State Legislature to oversee the final design and construction of the Exposition Light Rail Transit Project (Project). Phase 1, which consists of 3 segments (A, B, and C), is currently under construction or in the process of completion.

Segment "C" includes the Culver City component of the Project. The portion of the Project in the City to the east of Schaefer Street is currently in the final stages of completion. The portion of the Project to the west of Schaefer Street, including the Expo Bike Path, is currently under construction. This portion of the project involves the realignment and reconstruction of Washington and National Boulevards and related facilities between Schaefer Street and the City's western boundary south of Venice Boulevard. This work is occurring primarily in the City's public right-of-way and along the northern side of Expo right-of-way, between Washington Boulevard and Ballona Creek. The work in the City's right-of-way and on the Expo Bike Path requires inspection by a public works inspector representing Culver City.

The Public Works Department/Engineering Division has one full-time Public Works Inspector and relies on consultant support for public works inspection on special projects such as this. The Nickerson Company has been providing the necessary inspection services for the Project under contract with the Redevelopment Agency (Agency) since 2008.

The Agency has taken actions to ensure that design and development of the Project is accomplished to mitigate the impacts to the community and public facilities.

As part of the Agency's strategy regarding the Expo LRT project, the Agency retained consultants to provide specialized expertise and services. In order to determine if the project related improvements affecting the public rights-of-way are constructed according to approved plans and to adequately ensure that field conditions are accurately assessed, knowledgeable and reliable ongoing City representation at the construction site is necessary. Due to City's existing and anticipated Public Works inspection work load on other projects, staff continued to believe it is necessary to rely on consultant assistance. Due to the complexities of the Project and the need to meet the Project's design/construction schedule requiring timely and quick response to inspection requests and response to unanticipated conditions.

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In October, 2004, the City Council approved a contract with The Nickerson Company for general Public Works inspection services. Vern Nickerson of The Nickerson Company is a retired Culver City Senior Public Works Inspector who has over twenty-two years of experience inspecting public works projects in the City. The current agreement with The Nickerson Company has been administratively amended in June 2010 and July 2011, to increase the contract amount to reflect increased inspection requirements. The 2011 Financial Contribution Agreement For the Phase 1 Metro Exposition Light Rail Transit Project, between the City and Metro, was drafted anticipating that a portion of the Expo Bike Path would be constructed on City and Metro rights-of-way, and the City would accept on-going maintenance of the entire bike path within the City's jurisdiction. This has necessitated the need to expand the scope of inspection services.

In August 2011 and as part of the ongoing inspection program, the Public Works Department identified potential deficiencies in a portion of the National Boulevard right-of-way being constructed as a part of the Project. In order to analyze the issues, the Public Works Director instructed The Nickerson Company to retain a geotechnical engineering firm to investigate the areas of potential concern and if found necessary, provide recommendations for remedial actions. Pursuant to the Agreement, The Nickerson Company retained the third-party geotechnical assistance and invoiced the City. The \$7,119.25 cost of the third-party geotechnical assistance needs to be reimbursed to the City's account that is used to pay The Nickerson Company in order to ensure there are sufficient funds for future anticipated general inspections.

Agreement Re Sepulveda MTA Grant Project

On February 28, 2011, the Agency Board approved a contract with the Nickerson Company for construction management services on the Sepulveda Boulevard Pedestrian Improvements (MTA Grant Project), which included replacement street trees, pedestrian oriented lighting, new street furniture and crosswalk enhancements.

On December 2, 2011 KASA Construction, Inc. successfully completed the work and fulfilled the contractual 90-day landscape maintenance period for the MTA Grant Project. Due to unforeseen field conditions, plan enhancements and change orders, the construction schedule was extended beyond its completion deadline. Change orders in the amount of \$53,793.93 were necessary due to quantity adjustments and extra work resulting from the field conditionsⁱ

The unforeseen field conditions and the amount of change orders led to the need for additional Construction Management services as the project continued beyond its initial deadline. Construction Inspection services were also needed for the more disruptive items, such as repairs to damaged waterlines.

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FISCAL ANALYSIS:

Agreement Re Expo LRT Project

As stated above, The Nickerson Company is currently under contract with the Agency to provide general public works inspection support to the Public Works Department/Engineering Division. Staff recommends approval of a new professional services agreement with The Nickerson Company for a not-to-exceed amount, over the remainder of the Project construction period, in order to pay on an as-needed basis for the additional work to perform inspection of the construction of Expo Bike Path improvements, \$15,000 (Construction Inspector approximately 176 hours x \$85.00 per hour). In addition, staff recommends reimbursing the City's account that is used to pay The Nickerson Company, in the amount of \$7,119.25, for unforeseen third-party geotechnical assistance previously requested by the Public Works Department.

There are sufficient funds in Expo Aerial Station Project (48692720) to fund the \$22,119.25 contract with The Nickerson Company using former tax exempt bond Agency funds.

This contract is eligible for expenditure of funds previously paid by the Agency to the City because the construction is taking place within an Agency project area and it is imperative that the construction for this project be properly coordinated with future development plans for this area. The City's Financial Contribution Agreement with Metro for construction of the Expo LRT project includes an in-kind contribution for City inspection services related to the Project.

Agreement Re Sepulveda MTA Grant Project

Typically, construction management and inspection is budgeted at 10% to 25% of the construction contract amount. Grant projects and smaller projects (less than \$500,000) tend to have higher percentages, while multi-million dollar projects have lower percentages. A summary of Construction Management and Inspection Services is provided below.

The Nickerson Company Contract Amount	
Original Construction Management Contract	\$25,200.00
Construction Management - Extra Work	\$24,500.00
Construction Inspection Services	\$32,287.50
Total Contract Amount	\$81,987.50

In preventing and minimizing further large change orders, staff believes that the Agency received good service from The Nickerson Company. The total billing for Nickerson Company services equates to roughly 20% (\$81,987.50) of the final construction contract amount (\$402,856.43). Given the extent of change orders and

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unforeseen conditions encountered during the project, staff believes this is a reasonable amount.

The cost of additional services provided by The Nickerson Company (Construction Management – Extra Work and Construction Inspection) totals \$56,787.50. The Nickerson Company has provided supporting documentation with time records and inspection reports reflecting the total extra service contract amount. Should the Council approve the agreement this evening, there are sufficient funds in the Sepulveda Blvd Project (48592920) to cover this contract from former Agency funds.

ATTACHMENTS:

None

MOTIONS:

That the City Council:

- 1) Approve a professional services agreement with The Nickerson Company for continued support to the Public Works Department/Engineering Division, on an as-needed basis, for general public works inspection on the Exposition Light Rail Transit Project (Expo LRT Project) in an amount not-to-exceed \$15,000 and to reimburse the City's account that was used to pay The Nickerson Company, for the \$7,119.25 in costs related to a third-party geotechnical analysis related to Expo LRT Project improvements in the City's public right-of-way, for a total contract amount not-to-exceed \$22,119; and
- 2) Approve a professional services agreement with The Nickerson Company for construction management services provided for Sepulveda Boulevard Pedestrian Improvements, P-797 - Federal Aid Project No. STPLER-5240(013) in the final contract amount of \$56,787.50; and
- 3) Authorize the City Attorney to review/prepare the necessary documents; and
- 4) Authorize the City Manager/Executive Director to execute such documents on behalf of the City and Agency.

ⁱ The existing assemblage of telephone and utility poles, water meters, parking meters and other obstacles along the sidewalk challenged the ability to install tree wells and planters in a regular and attractive pattern and with common spacing on both sides of the street. Construction was further challenged by unmarked underground utilities, monolithic concrete pours and the need to address additional sidewalk safety hazards. These unforeseen conditions resulted in extra work due and the necessity to issue the change orders.