



City of Culver City

Mike Balkman
Council Chambers
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report

File #: 23-671, **Version:** 1

Item #: C-17.

CC- CONSENT ITEM: Approval of an Amendment to the Existing Professional Services Agreement with KOA Corporation, in an Amount Not-to-Exceed \$499,200 for Additional Construction Management Services on City Owned Property at 3860 and 3900 Sepulveda Boulevard.

Meeting Date: February 27, 2023

Contact Person/Dept: Elaine Warner / Office of Economic and Cultural Development
Tevis Barnes/ Housing and Human Services Department

Phone Number: (310) 253 - 5777
(310) 253 - 5782

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Attachments: Yes ☐ No ☒

Commission Action Required: Yes ☐ No ☒

Public Notification: (E-Mail) Meetings and Agendas - City Council (02/23/2023)

Department Approval: Jesse Mays, Assistant City Manager (02/17/2023)

RECOMMENDATION

Staff recommends the City Council approve an amendment to the existing professional services agreement with KOA Corporation for additional construction management services on City owned property at 3860 and 3900 Sepulveda Boulevard.

BACKGROUND

The City of Culver City acquired the one- and two-story motel structures, one at 3868 Sepulveda Blvd. (Deano's Motel), and an adjoining facility at 3900 Sepulveda Blvd. (Sunburst Spa and Suites), both located in the City of Culver City, for reuse as interim and permanent supportive housing as part of Project Homekey. In April 2022, the City contracted with Katz, Okitsu & Associates (KOA) for pre-construction and on-site construction management services to assess the site, develop preliminary construction drawings, and identify construction schedule. In July 2022, KOA assisted with securing the site, facilitating job walk with contractors, developing the RFQ for the selection of

three prime contractors, coordinating utility transfer, and assisting with on-site tenant relocation.

Since September 2022, KOA has been actively involved in the construction of the project, supervising the work of the contractor, sub-contractors, and project schedule.

DISCUSSION

As renovations began, it was discovered that several systems required substantial improvements and repairs beyond the original scope and additional design was required to include HVAC, plumbing, structural and electrical elements. Due to the number of unforeseen conditions and related code/design updates, the initial six-month pre-construction and construction management agreement has been exhausted. Given the work still required to complete the project, staff recommends that the City approve an amendment for additional construction management services for the remainder of the project until July 2023. Services will include on-site construction management, administration, and inspections. Hourly rates and scope of work will remain consistent with the initial agreement.

FISCAL ANALYSIS

The Adopted Budget for Fiscal Year 2022/2023 includes \$850,000 of available funds in Project Homekey Operating accounts. Since operations at the motels will begin later in the fiscal year than had been anticipated, all the allocated funding will not be needed in the current year. Funds can be reallocated to fund the requested amendment and maintain construction management services on-site.

ATTACHMENTS

None.

MOTIONS

That the City Council:

1. Approve an amendment to the existing professional services agreement with KOA Corporation, (KOA) in an amount not-to-exceed \$499,200 for additional construction management services on City owned property at 3860 and 3900 Sepulveda Boulevard;
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.