

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh R Riley, Assistant City Manager



DATE: November 20, 2014 (CC Meeting of 12/17/14)

SUBJECT: Consider Amendment No. 6 to Contract with Balfour Beatty Construction (formerly known as Barnhart Balfour Beatty) for Construction Management Services for the Ruben Castro Human Services Center

BACKGROUND

On January 16, 2008 the City Council authorized the release of a Request for Qualifications for Construction Management Services using the CM – Multiple Prime delivery method for the Ruben Castro Human Services Center. Using the CM – Multiple Prime delivery method takes the place of a general contractor for a negotiated services fee and assists the city with obtaining separate bids for the numerous contract trades such as electrical, steel, plumbing, etc. required for a building construction project of this nature in addition to the traditional construction management duties.

On April 16, 2008 the City Council awarded a contract to Balfour Beatty Construction (formerly known as Barnhart Balfour Beatty) for \$1,272,876. Subsequently, five amendments were approved bringing the total contract cost to \$1,535,142.25. The Amendments are summarized as follows:

Original Contract Amount	\$1,272,876.00
Amendment No. 1 - 7/21/10– Project remobilization-tenant services	\$ 27,744.00
Amendment No. 2 - 2/17/11- BIM Modeling	\$ 43,000.00
Amendment No. 3 - 5/31/11- Temporary Site Services	\$ 64,505.00
Amendment No. 4 - 3/21/12- Contract Extension to May 2012	\$ (887.00)
Amendment No. 5 - 7/20/12- Contract Extension to August 2012	\$ 127,904.25
Contract Amount through Amendment No. 5	\$1,535,142.25

DISCUSSION

Based upon the original Construction Management Agreement Article 5.b, the management fee portion of the overall service cost was based upon 4% of the actual construction costs. At the time of the agreement execution, the anticipated construction costs were considered to be \$13,900,000 resulting in a fee of \$556,000.00.

Upon receipt of trade contractor bids and determination of all responsive low bidders, the actual bid day construction cost totaled \$9,027,754.00, resulting in a reduced management fee of \$361,110.00 and a savings of \$194,890.00. The reduction in management fee's was included in Amendment # 4 to the Construction Management Services Agreement with the understanding that the management fee would be re-calculated at the close of the project for any additional adjustment related to project cost reductions or escalations.

Inclusive of the original bid cost and all trade contractor agreement deductions and added scope increases, the final project construction cost of \$ 11,077,110.61 has been formalized and City Council approved through various trade contractor agreement amendments. The resulting 4% construction management fee is \$443,084.00 which is an increase of \$81,974.00 to the management fee adjustment included in Amendment # 4.

In addition to the final adjustment in the construction management fee, various management allowances require final adjustment as follows;

1. SWPPP Maintenance Allowance of \$ 27,690. The allowance was included in the original Construction Management Services Agreement but was subsequently included as responsible scope under Trade Bid Package # 2 Grading and Paving. A deduct of \$27,690 shall be included in the final Construction Management Services Agreement amendment.

2. Temporary construction power was provided to the site by Balfour Beatty Construction under direction of the Third Amendment to the Agreement for a projected cost of \$31,895. The actual usage cost was \$15,665 resulting in a reduction of the allowance by \$16,230. A deduct of \$16,230 shall be included in the final Construction Management Services Agreement amendment.

3. Temporary construction water was provided to the site by Balfour Beatty Construction under direction of the Third Amendment to the Agreement for a projected cost of \$9,000. The actual usage cost was \$4,574 resulting in a reduction of the allowance by \$4,426. A deduct of \$4,426 shall be included in the final Construction Management Services Agreement amendment.

Construction Management Services Agreement thru Fifth Amendment:	\$1,535,142.25
Requested adjustment to the construction management fee	\$ 81,974.42
Requested reduction of SWPPP maintenance costs	\$ (27,690.00)
Requested reduction of Temp. Construction Power costs	\$ (16,230.00)
Requested reduction of Temp. Construction Water costs	<u>\$ (4,426.00)</u>
Subtotal of adjustments	\$ 33,628.42
Final requested Construction Management Services Agreement amount	\$1,568,770.67

FISCAL IMPACT

Sufficient funds remain in the Project budget for these additional costs.

STAFF RECOMMENDATION

Authorize the City Manager to execute the amendment subject to final language approval of the City Manager.

ATTACHMENT: Amendment No. 6

**SIXTH AMENDMENT TO AGREEMENT 2008-090
FOR CONSTRUCTION MANAGEMENT SERVICES**

THIS SIXTH AMENDMENT TO THE AGREEMENT CONSTRUCTION MANAGEMENT SERVICES (“Sixth Amendment”), is made and entered into this ____ day of _____, 2014, (“the Effective Date”) between the City of Moorpark, a municipal corporation, hereinafter referred to as “CITY”, and Balfour-Beatty, Inc., a California Corporation, hereinafter referred to as “CONSULTANT”.

WITNESSETH:

WHEREAS, on June 2, 2008, the CITY and the CONSULTANT entered into an Agreement for construction management services for the Ruben Castro Human Services Center; and

WHEREAS, on July 21, 2010, the CITY and the CONSULTANT executed a First Amendment to incorporate a business name change and to increase the maximum payment by \$27,744 to \$1,300,620 for additional services not covered by the original Agreement; and

WHEREAS, on January 21, 2011, the CITY and the CONSULTANT executed a Second Amendment to fully fund Building Information Modeling (BIM) services and to increase the maximum payment by \$43,000 to \$1,343,620 for these additional services not covered by the original agreement; and

WHEREAS, on May 31, 2011, the CITY and the CONSULTANT executed a Third Amendment for the provision of temporary site services to increase the maximum payment by \$64,505 to \$1,408,125 for these additional services not covered by the original agreement; and

WHEREAS, on March 21, 2012, the CITY and the CONSULTANT executed a Fourth Amendment to decrease the maximum payment by (\$887) to \$1,407,238; and

WHEREAS, on July 20, 2012, the CITY and the CONSULTANT executed a Fifth Amendment to provide for additional construction management services from June 2012 through August 2012 in the amount of \$121,142.25; to provide for temporary construction fencing for an additional duration in the amount of \$2,162; to provide for site security for an additional duration in the amount of \$4,600; and

WHEREAS, the CITY wishes to further AMEND the Agreement increase the not-to-exceed amount of \$1,535,142.25 under this Agreement by \$33,628.42 to \$1,568,770.67 to provide for final adjustments to the Construction Management Services Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, benefits, and premises herein stated, the parties hereto AMEND the Agreement as follows:

I. Section 5 of the Agreement is amended to include:

CITY hereby increases the not-to-exceed amount of \$1,535,142.25 under this Agreement by \$33,628.42 to \$1,568,770.67 in accordance with Exhibit A and reflected through the line item revisions as follows:

- CITY hereby increases the construction management fee by \$81,974.42 in accordance with Exhibit A; and
- CONSULTANT reduces the SWPPP maintenance costs by \$27,690 in accordance with Exhibit A; and
- CONSULTANT reduces temporary construction power costs by \$16,230 in accordance with Exhibit A; and
- CONSULTANT reduces temporary construction water costs by \$4,426.00 in accordance with Exhibit A

II. Remaining Provisions

All other terms and conditions of the original Agreement and all other amendments shall remain in full force and effect, except to the extent modified by this Sixth Amendment.

CITY OF MOORPARK

BALFOUR BEATTY CONSTRUCTION, INC

By: _____
Steven Kueny, City Manager

By: _____
Brian Cahill, President, SW Division

ATTEST:

Maureen Benson, City Clerk

Balfour Beatty

Construction

November 14, 2014

Hugh R. Riley
Assistant City Manager
799 Moorpark Ave.
Moorpark CA 93021

Ruben Castro Human Services Center, City of Moorpark Request for Final Adjustment to the Construction Management Services Agreement

Dear Mr. Riley,

Based upon the original Construction Management Agreement Article 5.b, the management fee portion of the overall service cost was based upon 4% of the actual construction costs. At the time of the agreement execution, the anticipated construction costs were considered to be \$13,900,000 resulting in a fee of \$556,000.00.

Upon receipt of trade contractor bids and determination of all responsive low bidders, the actual bid day construction cost totaled \$9,027,754.00, resulting in a reduced management fee of \$361,110.00 and a savings of \$194,890.00. The reduction in management fee's was included in Amendment # 4 to the Construction Management Services Agreement with the understanding that the management fee would be re-calculated at the close of the project for any additional adjustment related to project cost reductions or escalations.

Inclusive of the original bid cost and all trade contractor agreement deductions and added scope increases, the final project construction cost of \$ 11,077,110.61 has been formalized and City Council approved thru various trade contractor agreement amendments. The resulting 4% construction management fee is \$443,084.00 which is an increase of \$81,974.00 to the management fee adjustment included in Amendment # 4.

In addition to the final adjustment in the construction management fee, various management allowances require final adjustment as follows;

SWPPP Maintenance Allowance of \$ 27,690. The allowance was included in the original Construction Management Services Agreement but was subsequently included as responsible scope under Trade Bid Package # 2 Grading and Paving. A deduct of \$27,690 shall be included in the final Construction Management Services Agreement amendment.

Temporary construction power was provided to the site by Balfour Beatty Construction under direction of the Third Amendment to the Agreement for a projected cost of \$31,895. The actual usage cost was \$15,665 resulting in a reduction of the allowance by \$16,230. A deduct of \$16,230 shall be included in the final Construction Management Services Agreement amendment.

Temporary construction water was provided to the site by Balfour Beatty Construction under direction of the Third Amendment to the Agreement for a projected cost of \$9,000. The actual usage cost was \$4,574 resulting in a reduction of the allowance by \$4,426. A deduct of \$4,426 shall be included in the final Construction Management Services Agreement amendment.

Construction Management Services Agreement thru the Fifth Amendment	\$1,535,142.25
Requested adjustment to the construction management fee	\$ 81,974.42
Requested reduction of SWPPP maintenance costs	\$< 27,690.00>
Requested reduction of Temp. Construction Power costs	\$< 16,230.00>
Requested reduction of Temp. Construction Water costs	\$< 4,426.00>
Subtotal of adjustments	\$ 33,628.42
Final requested Construction Management Services Agreement amount	\$1,568,770.67

We appreciate your consideration of this request. Should you require any additional information, or wish to discuss any of the items presented, please do not hesitate contact me at any time.

Sincerely,



Dennis Kuykendall
Senior Project Manager
Balfour Beatty Construction

Attachments: Final Construction Management Services Schedule of Values

Cc: Jeremy Laurentowski, City of Moorpark
File

FINAL ADJUSTMENT TO CONSTRUCTION MANAGEMENT SERVICES

Balfour Beatty

11/14/2014

Ruben Castro Human Service Center
City of Moorpark

SERVICE ACTIVITY	SERVICE VALUE	COMPLETED SERVICES		TOTAL COMPLETED & TO DATE	% TO DATE	BALANCE TO FINISH	REDUCTION of COSTS
		FROM PREVIOUS APPLICATION	THIS PERIOD				
GENERAL CONDITIONS							
Pre-Construction Phase							
Month 1	\$ 15,995	\$ 15,995.00	\$ -	\$ 15,995.00	100%	\$ -	
Month 2	\$ 15,995	\$ 15,995.00	\$ -	\$ 15,995.00	100%	\$ -	
Month 2.5	\$ 7,986	\$ 7,986.00	\$ -	\$ 7,986.00	100%	\$ -	
<i>Subtotal</i>	\$ 39,976.00	\$ 39,976.00	\$ -	\$ 39,976.00	100%	\$ -	
Bidding Phase							
Month 1	\$ 21,760	\$ 21,760.00	\$ -	\$ 21,760.00	100%	\$ -	
Month 1.5	\$ 10,881	\$ 10,881.00	\$ -	\$ 10,881.00	100%	\$ -	
<i>Subtotal</i>	\$ 32,641.00	\$ 32,641.00	\$ -	\$ 32,641.00	100%	\$ -	
Building Information Modeling Services							
Design Document Modeling	\$ 35,000	\$ 35,000.00	\$ -	\$ 35,000.00	100%	\$ -	
Site Security Allowance							
	\$ 72,000	\$ 72,000.00	\$ -	\$ 72,000.00	100%	\$ -	
SWPPP Maintenance Allowance							
	\$ 27,690	\$ -	\$ -	\$ -	0%	\$ 27,690.00	\$ (27,690.00)
Construction Phase							
Month 1	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 2	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 3	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 4	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 5	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 6	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 7	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	

SERVICE ACTIVITY	SERVICE VALUE	COMPLETED SERVICES		TOTAL COMPLETED & TO DATE	% TO DATE	BALANCE TO FINISH	REDUCTION of COSTS
		FROM PREVIOUS APPLICATION	THIS PERIOD				
Month 8	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 9	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 10	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 11	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 12	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
<i>Subtotal</i>	\$ 484,569.00	\$ 484,569.00	\$ -	\$ 484,569.00	100%	\$ -	
Post Construction Phase - 1 month	\$ 25,000	\$ 25,000.00	\$ -	\$ 25,000.00	100%	\$ -	
Subtotal General Conditions	\$ 716,876.00	\$ 664,186.00	\$ -	\$ 689,186.00	96%	\$ 27,690.00	
Management Fee (Adjusted per Amend	\$ 361,110	\$ 361,110.00	\$ -	\$ 361,110.00	100%	\$ -	
Fee = 8%/mth							
Total Base Agreement	\$ 1,077,986						
First Amendment to Agreement							
Project Remobilization	\$ 17,080	\$ 17,080.00	\$ -	\$ 17,080.00	100%	\$ -	
Tenant Procurement Assistance	\$ 3,984	\$ 3,984.00	\$ -	\$ 3,984.00	100%	\$ -	
Add Generator to Project Scope	\$ 2,480	\$ 2,480.00	\$ -	\$ 2,480.00	100%	\$ -	
Modify/update SWPPP	\$ 2,700	\$ 2,700.00	\$ -	\$ 2,700.00	100%	\$ -	
SWPPP Training	\$ 1,500	\$ 1,500.00	\$ -	\$ 1,500.00	100%	\$ -	
Subtotal First Amendment	\$ 27,744.00	\$ 27,744.00	\$ -	\$ 27,744.00	100%	\$ -	
Second Amendment to Agreement							
Additional BIM Services	\$ 43,000	\$ 40,700.00	\$ -	\$ 40,700.00	82%	\$ 2,300.00	BAL DUE
Third Amendment to Agreement							
Increase in Site Security Rate	\$ 16,462	\$ 16,462.00	\$ -	\$ 16,462.00	100%	\$ -	
Temporary Construction Fence	\$ 7,148	\$ 7,148.00	\$ -	\$ 7,148.00	100%	\$ -	
Temporary Construction Power	\$ 31,895	\$ 15,665.00	\$ -	\$ 15,665.00	49%	\$ 16,230.00	\$ (16,230.00)
Temporary Construction Water	\$ 9,000.00	\$ 4,574.00	\$ -	\$ 4,574.00	51%	\$ 4,426.00	\$ (4,426.00)
Subtotal Third Amendment	\$ 64,505.00	\$ 43,849.00	\$ -	\$ 43,849.00	68%	\$ 20,656.00	
Fourth Amendment to Agreement							
Additional Preconstruction Services	\$ 32,480.00	\$ 32,480.00	\$ -	\$ 32,480.00	100%	\$ -	
Construction Phase							

SERVICE ACTIVITY	SERVICE VALUE	COMPLETED SERVICES		TOTAL COMPLETED & TO DATE	% TO DATE	BALANCE TO FINISH	REDUCTION of COSTS
		FROM PREVIOUS APPLICATION	THIS PERIOD				
Month 13	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 14	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 15	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 16	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Subtotal Fourth Amendment	\$ 194,003.00	\$ 194,003.00	\$ -	\$ 194,003.00	100%	\$ -	
Fifth Amendment to Agreement							
Construction Phase							
Month 17	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 18	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Month 19	\$ 40,380.75	\$ 40,380.75	\$ -	\$ 40,380.75	100%	\$ -	
Extend Temporary Construction Fence	\$ 2,162.00	\$ 2,162.00	\$ -	\$ 2,162.00	100%	\$ -	
Extend Site Security	\$ 4,600.00	\$ 4,600.00	\$ -	\$ 4,600.00	100%	\$ -	
Subtotal Fifth Amendment	\$ 127,904.25	\$ 127,904.25	\$ -	\$ 127,904.25		\$ -	
	\$ 1,535,142.25	\$ 1,459,496.25	\$ -	\$ 1,484,496.25	97%	\$ 50,646.00	\$ (48,346.00)
Final Construction Cost		11,077,110.61					
Final CM Fee	4%	\$ 443,084.42					
Fee per Amend #4		\$ 361,110.00					
Additional Fee		\$ 81,974.42					
SWPPP Allowance not used		\$ (27,690.00)					
Temp Const. Power not used		\$ (16,230.00)					
Temp Const Water not used		\$ (4,426.00)					
Subtotal of adjustments		\$ 33,628.42					
Agreement thru the Fifth Amend		\$ 1,535,142.25					
Final requested Agreement amount		\$ 1,568,770.67					