



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File #: 2016-01016

Consent Item 10

Title: Supplemental Agreement: Construction Management Services for the Treatment Plants Rehabilitation Project

Recommendation: Pass a Motion authorizing the City Manager, or the City Manager's designee, to execute Supplemental Agreement No. 10 to City Agreement No. 2013-0404 with MWH Americas, Inc. for additional construction management and inspection services in an amount not-to-exceed \$254,036, bringing the agreement's total not-to-exceed amount to \$9,697,140.

Location: District 3

Contact: Dan Sherry, Engineering & Water Resources Manager, (916) 808-1419; Michelle Carrey, Supervising Engineer, (916) 808-1438; Ian Pietz, Project Manager (916) 808-1910, Department of Utilities

Presenter: None

Department: Department of Utilities

Attachments:

1-Description Analysis

2-Supplemental Agreement

Description/Analysis

Issue Detail: Staff recommends Council approve supplemental agreement No. 10 (City Agreement No. 2013-0404) with MWH Americas, Inc. for an amount not-to-exceed \$254,036. This supplemental agreement is for additional construction management services needed for the duration of the Water Treatment Plants Rehabilitation Project (Z14006000), due to an extension of the final completion date for construction.

Policy Considerations: City Council approval is required for supplemental agreements exceeding \$100,000. The project provides updated infrastructure for a safe and reliable drinking water supply and is consistent with City Council focus areas of public safety, economic, development, livability, and sustainability.

Economic Impacts: None.

Environmental Considerations: The Community Development Department, Environmental Planning Services prepared a Mitigated Negative Declaration for the Project. City Council approved the Mitigated Negative Declaration and adopted the Mitigation Monitoring Report on March 20, 2012 (Resolution No. 2012-067). Approval of the proposed supplemental agreement relates only to construction management services for the project and would not result in any new environmental impacts not previously identified and analyzed in the adopted Mitigated Negative Declaration.

Sustainability: The project is consistent with the City's Sustainability Master Plan by providing a safe and reliable water supply for the Sacramento region.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Approval of Supplemental Agreement No. 10 will authorize MWH Americas, Inc. to perform additional construction management tasks that are critical to ensuring that the project is constructed in accordance with contract requirements and that impacts to the City's water treatment facilities are minimized.

Financial Considerations: This supplemental agreement is for a not-to-exceed amount of \$254,036, bringing the total agreement amount to \$9,697,140. Sufficient funds are available for the supplemental agreement in the Treatment Plant Rehabilitation Design Project (Z14006000, Fund 6005).

There are no General Funds planned or allocated for this project.

Local Business Enterprise (LBE): MWH Americas, Inc. is an LBE.

Background: On April 2, 2013, the City Council authorized MWH Americas, Inc. (City Agreement No. 2013-0404) to perform Construction Management Services (CMS) for the Water Treatment Plants Rehabilitation Project (Z14006000) for a total contract amount not to exceed \$8,259,514. This contract includes the following services:

Task 1 – Project Management Services: Coordinate and administer project tasks through the assigned project manager. The project manager will focus on completing tasks and submitting deliverables according to the project schedule and budget, managing staff assignments, facilitating QA/QC reviews, and identifying and communicating issues affecting CMS cost, schedule and quality.

Task 2 – Pre-Construction Services: Provide pre-construction services consisting of the execution of sub-consultant agreements, setup up the project management system for cost and schedule management, staff training for the project's document management control system, development of the construction management plan, performing pre-project planning, familiarity and preparation for scheduling review, and preparation for preconstruction conference preparation meeting activities.

Task 3 – Construction Management Services: Provide construction management services for the project, consisting of mobilization and organization of the project field offices, review of the initial baseline CPM schedule from the construction contractor, review of monthly schedule updates, and services consisting of meetings, communications, site observation, and progress reporting.

Task 4 – Field Administrative Services: Provide field office administrative staff to document project meetings, process reviews of submittal and clarifications, prepare project reports, and control and manage project documents during the construction phase.

Task 5 – Field Quality Management Services: Provide field quality management services consisting of resident engineer and project closeout services.

Task 6 – Field Observation Services: Provide field Inspectors for routine field observation to verify construction progress and compliance with contract documents. Field Inspection staff will prepare daily reports depicting a general overview of construction activities, including weather conditions, construction equipment and labor, work performed, materials used, observed delays, and deficiencies. Field testing and special inspection technicians will be provided for field testing and observation of soil compaction and concrete placement and compliance with contract documents.

Task 7 – Testing, Training, and Startup Services: Provide a full-time field inspector at the project site for 12 consecutive months from March 2015 through February 2016 to

provide testing, training, and startup support services. The services shall consist of the testing activities described as General Startup & Testing Procedures, Functional Testing, Training of Owner's Personnel, and the Final Punch List and Substantial Completion processes.

This contract was based on providing these services for specified time durations that were estimated prior to the commencement of construction on the Project. Due to schedule changes and some construction delays, the City needs MWH to extend the duration of their CMS services.

This supplemental agreement extends the duration for services to be provided by MWH to the City. Final completion on the Water Treatment Plants Rehabilitation Project is currently scheduled to be achieved by November 2016.

The net change by previous supplemental agreements was \$1,183,590, for a not-to-exceed amount of \$9,443,104. The total for this supplemental agreement No. 10 is \$254,036, for a new not-to-exceed amount of \$9,697,140.

SUPPLEMENTAL AGREEMENT

Project Title and Job Number: #Z14006000 – WTPs Rehabilitation Project
Purchase Order #:

Date: 10/04/2016
Supplemental Agreement No.: 10

The City of Sacramento ("City") and MWH Americas, Inc. ("Contractor"), as parties to that certain Professional Services Agreement designated as Agreement Number 2013-0404, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

- 1. The Scope of Services specified in Exhibit A of the Agreement is amended as follows:

Section 2.0 of Exhibit A of the Agreement is amended as specified in Attachment 7 to Exhibit A, attached hereto and incorporated herein by this reference.

- 2. The payment amounts specified in Exhibit B of the Agreement are amended as follows:

The Fee Schedule – Construction Management Services specified in Attachment 6 to Exhibit B of the Agreement is replaced by Attachment 7 to Exhibit B, attached hereto and incorporated herein by this reference.

- 3. In consideration of the additional and/or revised services described in sections 1 and 2, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$254,036.00, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$8,259,514.00</u>
Net change by previous supplemental agreements:	<u>\$1,183,590.00</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$9,443,104.00</u>
Increase by this supplemental agreement:	<u>\$ 254,036.00</u>
New not-to exceed amount including all supplemental agreements:	<u>\$9,697,140.00</u>

- 4. Contractor agrees that the not-to-exceed amount specified in section 3, above, shall constitute full compensation for the Contractor's services, including the additional or revised services covered by sections 1 and 2, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional or revised services, including costs associated with any changes or delays in work schedules or in the performance of other services or work by Contractor.
- 5. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
- 6. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

Approval Recommended By:

Approved As To Form By:

Project Manager

Approved By:

Contractor

Approved By:

City of Sacramento

City Attorney

Attested To By:

City Clerk

**ATTACHMENT 7 TO EXHIBIT A
SCOPE OF SERVICES**

PHASE 2 – CONSTRUCTION MANAGEMENT SERVICES FOR THE:

Water Treatment Plants Rehabilitation Project (Z14006000)

The following Tasks supplement the Phase 2 Scope of Services – Baseline Tasks by this Supplemental Agreement:

2.0 SCOPE OF SERVICES – BASELINE TASKS

D. Phase 2 Scope of Services

1. **Task 1, Project Management** – Task level of effort is increased, for additional project management and controls services through December 2016.
2. **Task 3, Construction Management** – Task duration is extended through November 2016, for additional hours for NC Mann for construction management services.
3. **Task 4, Field Admin Services** – Task duration is extended through November 2016, for NC Mann to provide additional field administration services.
4. **Task 7 – Startup and Testing Services** – The task duration is extended to November 2016

ATTACHMENT 7 TO EXHIBIT B
CITY OF SACRAMENTO
WTP PLANTS REHABILITATION PROJECT

FEE SCHEDULE SUMMARY TABLE									
TASK SUMMARY	ORIGINAL BUDGET	SA-1 8/5/13	CR-1 11/26/13	SA-2 1/22/14	SA-3 3/24/14	CR-2 8/27/14	SA-4 5/21/15	SA-5 7/10/15	SA-6 7/31/15
Task 1.0 - Project Management	\$696,361	-	-	(\$29,057)	-	-	-	-	(\$35,970)
Task 2.0 - Pre-Construction Services	\$308,780	-	-	-	\$33,710	-	-	-	(\$22)
Task 3.0 - Construction Management	\$1,030,316	-	-	-	-	-	-	-	(\$4,178)
Task 4.0 - Field Administrative Services	\$931,897	-	-	\$894	-	-	-	-	(\$171,326)
Task 5.0 - Field QA/QC Services	\$1,917,950	-	-	(\$54,298)	-	-	-	-	\$430,809
Task 6.0 - Field Observation Services	\$2,780,845	-	-	\$102,863	-	-	\$ 142,643	-	\$388,564
Task 6.10 - Additional Hrs Beyond Baseline (authorized)	-	-	\$59,062	-	-	\$58,000	-	-	\$0
Task 7.0 - Testing, Training, Startup Support	\$333,660	-	-	(\$9,256)	-	-	-	-	\$149,334
Task 8.0 - Optional Authorized Tasks	-	\$59,741	-	(\$5,195)	-	-	-	-	\$113,398
AUTHORIZED TOTAL	\$7,999,809	\$8,059,550	\$8,118,612	\$8,124,564	\$8,158,274	\$8,216,274	\$8,358,917	\$8,358,917	\$9,229,526
Original Contingency, Task 6.10 - Additional Hours Beyond Baseline SA#5 (remaining, not authorized)	\$259,705	\$259,705	(\$59,062)			(\$58,000)	(\$142,643)		
SA-6 Contingency, Task 1.4 & 5.2 - Additional CM Hrs/Extended Hrs Beyond Baseline (remaining, not authorized)									\$ 71,300
SA-6 Contingency, Task 6.10 - Additional Field Inspector Hrs/Extended Hrs Beyond Baseline (remaining, not authorized)									\$ 54,242
CONTRACT TOTAL	\$8,259,514	\$8,319,255	\$8,319,255	\$8,325,207	\$8,358,917	\$8,358,917	\$8,358,917	\$8,358,917	\$9,355,068

TASK SUMMARY	CR-3 11/4/15	SA-7 12/7/15	CR-4 1/29/16	CR-5 3/22/16	SA-8 3/22/16	SA-9 6/14/16	TOTAL BUDGET per SA-9	SA-10 9/9/16	TOTAL REVISED BUDGET
Task 1.0 - Project Management		\$0			\$ (19,000)		\$612,334	\$ 31,797	\$644,131
Task 2.0 - Pre-Construction Services		\$0			\$ -		\$342,468		\$342,468
Task 3.0 - Construction Management		\$0		\$31,300	\$ 47,000	\$ 3,000	\$1,107,438	\$ 50,396	\$1,157,834
Task 4.0 - Field Administrative Services		\$0		\$40,000	\$ 50,200	\$ 5,000	\$856,666	\$ 32,778	\$889,444
Task 5.0 - Field QA/QC Services		\$0			\$ 14,300	\$ (41,000)	\$2,267,761	\$ 109,891	\$2,377,652
Task 6.0 - Field Observation Services		\$0	\$25,827		\$ 80,000	\$ 3,200	\$3,523,942	\$ -	\$3,523,942
Task 6.10 - Additional Hrs Beyond Baseline (authorized)		\$0			\$ 13,000		\$130,062		\$130,062
Task 7.0 - Testing, Training, Startup Support	\$28,415	\$0			\$ (97,000)	\$ 33,000	\$438,154	\$ 91,181	\$529,335
Task 8.0 - Optional Authorized Tasks		\$88,036			\$ (88,500)	\$ (3,200)	\$164,281	\$ (62,007)	\$102,274
AUTHORIZED TOTAL	\$8,287,929	\$8,375,965	\$ 9,468,931	\$ 9,540,231	\$ 9,468,931	\$ 9,443,104	\$ 9,443,104	\$ 9,697,140	\$ 9,697,140
Original Contingency, Task 6.10 - Additional Hours Beyond Baseline SA#5 (remaining, not authorized)							\$ -	\$ -	\$ -
SA-6 Contingency, Task 1.4 & 5.2 - Additional CM Hrs/Extended Hrs Beyond Baseline (remaining, not authorized)				(\$71,300)			\$ -	\$ -	\$ -
SA-6 Contingency, Task 6.10 - Additional Field Inspector Hrs/Extended Hrs Beyond Baseline (remaining, not authorized)	(\$28,415)		(\$25,827)				\$ -	\$ -	\$ -
CONTRACT TOTAL	\$9,355,068	\$9,443,104	\$9,443,104	\$9,443,104	\$9,443,104	\$9,443,104	\$ 9,443,104	\$ 9,697,140	\$ 9,697,140