

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Motion to Authorize the City Manager to Modify the HDR Construction Management Contract for the Aurora Corridor Improvement Project – N 165th to 185th Streets
DEPARTMENT:	Public Works
PRESENTED BY:	Mark Relph, Public Works Director Kirk McKinley, Transportation Services Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion

PROBLEM/ISSUE STATEMENT:

HDR Engineering, Inc. (HDR) is the current consultant providing construction management services, including claim related negotiation assistance, on the Aurora Corridor Improvement Project (N 165th – N 185th Streets). This project reached physical completion on April 4, 2012. While working to close-out the project, the project team and contractor, Marshbank Construction, came to an impasse on certain issues. The City offered a resolution/compensation that was not accepted, and on July 3, 2012, Marshbank Construction submitted a certified claim against the City.

As a result of Marshbank filing a certified claim, staff went to Council on July 16, 2012 requesting \$100,000.00 in contingency. A copy of the staff report can be found here:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2012/staffreport071612-7b.pdf>

In May of this year, the City's Project Manager on this section of the Aurora Project terminated employment with the City. It was hoped that existing City staff would be able to provide the Project Management necessary.

With staff working at capacity, it has become necessary to utilize HDR to fill some gaps. There are several tasks that the Project Manager would need to complete for this project including assisting with a very large Public Records Disclosure requested by Marshbank's attorney, processing reimbursements, closing out grants, and providing information for an Operations & Maintenance Manual.

Although HDR's contract was recently amended to cover claim defense strategies through mediation, nothing had been added to cover tasks taken over by HDR and their subconsultants for work normally performed by the City's Project Manager. City staff would like to request assistance through the HDR contract for this purpose.

HDR's contract is requested to be increased by \$55,468.10 increasing the current contract amount from \$3,754,163.54 to a new total contract amount of \$3,809,631.64

FINANCIAL IMPACT:

The current HDR contract amount is \$3,754,163.54. City staff is requesting an additional \$55,468.10 for a new contract total of \$3,809,631.64. Costs of City staffing will be redirected to consultant staff resulting in no change to the overall project budget. These costs are reimbursable under existing grant funding.

RECOMMENDATION

Staff recommends that Council authorize the City Manager to increase the HDR construction management contract for the Aurora Project (N 165th – N 185th Streets) by \$55,468.10 for a new contract total of \$3,809,631.64.

Approved By: City Manager ***DT*** City Attorney ***IS***