



**Date:** October 18, 2011

**To:** Thomas J. Bonfield, City Manager

**Through:** Theodore L. Voorhees, Deputy City Manager

**From:** Marvin G. Williams, Public Works Director  
Edward R. Venable, Manager of Engineering and Stormwater

**Subject:** American Recovery and Reinvestment Act (ARRA) Contract SW-25:  
CONTRACT AMENDMENT NO. 2 for Construction Inspection and  
Testing Services

### **Executive Summary**

The City Council awarded a contract of \$228,357.94 to AECOM Technical Services of NC, Incorporated on April 8, 2010, for Construction Inspection and Testing Services related to three projects being funded by the American Recovery and Reinvestment Act (ARRA). These projects are the SW-25: 2010 Sidewalk Construction and Repairs; ST-246: 2010 Trail Repairs and Resurfacing; and ST-247: 2010 Street Improvements projects. The ST-246 and ST-247 projects have been completed but the SW-25 project is still under construction.

Triangle Grading & Paving, Incorporated of Burlington, N.C., the contractor for this project, is now over five months past the scheduled completion date of May 1, 2011 and has been incurring liquidated damages beginning on May 2, 2011. The City is still required to provide for inspection services required by the supplemental agreement with the North Carolina Department of Transportation and the Federal Highway Administration for these ARRA projects.

### **Recommendation**

The Administration recommends that the City Council authorize the City Manager to execute a contract amendment for Construction Inspection and Testing Services for SW-25 with AECOM Technical Services of NC, Incorporated in the amount not to exceed \$35,000.00 for a total contract amount of \$ 383,357.94.

### **Background**

The City was awarded funding through the North Carolina Department of Transportation for three projects funded by the ARRA. The City of Durham does not have NCDOT certified inspectors to perform construction inspection for these projects which is a requirement for use of these funds.

The City Council awarded a contract of \$228,357.94 to AECOM Technical Services of NC, Incorporated on April 8, 2010, for Construction Inspection and Testing Services related to three projects being funded by the American Recovery and Reinvestment Act (ARRA). These projects are the SW-25: 2010 Sidewalk Construction and Repairs; ST-246: 2010 Trail Repairs and Resurfacing; and ST-247: 2010 Street Improvements projects. The ST-246 and ST-247 projects have been completed but the SW-25 project is still under construction.

**Issues/Analysis**

This contract was amended by \$120,000.00 on November 1, 2010 for additional work to provide more inspection time for these projects than originally planned. An additional \$35,000.00 needs to be added to this contract to assure continued and uninterrupted inspection and testing services to satisfy the ARRA requirements for these projects. The City had the choice of using 15% of the cost of each project to cover either construction contract administration or to use that amount for a contingency for the construction contract to cover cost overruns. The City chose to use that 15% for a contingency for construction cost overruns. Thus, the City is required to pay for any construction contract administration.

Triangle Grading & Paving, Incorporated of Burlington, N.C., the contractor for this project, is now over five months past the scheduled completion date of May 1, 2011 and has been incurring liquidated damages beginning on May 2, 2011. The City is still required to provide for inspection services required by the supplemental agreement with the North Carolina Department of Transportation and the Federal Highway Administration for these ARRA projects.

This contract amendment with AECOM Technical Services of NC, Incorporated will continue to provide a means to conduct inspection and perform pavement testing services on the SW-25 project in accordance with NCDOT requirements.

The Public Works Department recommends awarding a contract amendment for professional services to AECOM Technical Services of NC, Incorporated in the amount not to exceed \$35,000.00 for a total contract amount of \$ 383,357.94.

**Alternatives**

The Department of Public Works has not identified any alternatives since the “not to exceed” negotiated price is considered fair and reasonable. Sufficient City staffing does not exist to provide the level of expertise to perform the required construction inspection and testing services.

**Financial Impact**

Funds for this project are available in the 2005 GO Bonds Sidewalk Account.

**SDBE Summary**

This is a contract amendment. No compliance review was conducted in accordance with the Ordinance to Promote Equal Business Opportunities in City Contracting.

AECOM will be using the following SDBE firm for the additional scope of services:

<b>Firm</b>	<b>ID</b>	<b>City/State</b>	<b>Amount</b>	<b>% of Contract</b>
Capstone Civil Group, PA	MSDBE	Charlotte, NC	\$8,680.00	24.8%