



Date: February 4, 2014
To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Joel V. Reitzer, Jr., Director, General Services Department
Subject: Amendment #3 for Professional Services for the Durham Parks and Recreation Operations Facility with RATIO Architects, Inc.

Executive Summary

On August 2, 2011, the City executed a Professional Services Agreement for the Durham Parks and Recreation Operations Facility (the "Project") with Ratio Architects, Inc. ("Ratio") in the amount of \$159,100.00 to provide design and construction administration services. The duration of construction at that time, as agreed to by the owner and architect, was 240 days. The contract has been amended twice for a total compensation of \$174,448.00.

Ratio requests construction administration compensation for the extended schedule, and recommends providing additional services compensation for construction administration for an additional 60 days based on recent contractor weather schedule delays. Also, additional compensation is being requested for remediation efforts as a result of non-conforming work, unforeseen site issues and administration of allowances which were not part of the original contract.

The proposed contract amendment increases the fee to be paid to Ratio for the Project by \$34,620.00 for additional services due to architectural, civil and structural construction administration.

Recommendation

The General Services Department recommends that City Council:

1. Authorize the City Manager to execute a contract amendment to the Professional Services Agreement for the Durham Parks and Recreation Operations Facility with Ratio Architects, Inc. in the amount of \$34,620.00 so that the total contract amount will not exceed \$209,068.00.
2. Establish an additional design contingency in the amount of \$15,000.00, and authorize the City Manager to negotiate and execute amendments to the Professional Services Agreement for the Durham Parks and Recreation Operations Facility with Ratio Architects, Inc. provided the total cost does not exceed \$224,068.00.

Background

On August 2, 2011, the City executed a professional services contract with Ratio for the Project in the amount of \$159,100.00.

On July 18, 2012, the City executed amendment #1 to Ratio's contract for \$7,600.00 to provide 1) architectural design services as a result of Owner requests to include a brick veneer surrounding the administrative portion of the building and a storage mezzanine in the

garage area, 2) civil design required to incorporate the new portion of the recombined parcel into the project and revise stormwater calculations to save the project from incurring considerable expenses due to stormwater regulations, and 3) integrate data from subsurface utility engineering consultants into construction drawing files and GIS mapping.

On February 20, 2013, the City executed amendment #2 to Ratio's contract for \$7,748.00 to provide geotechnical oversight and testing of the replacement of unsuitable soils after the Friendly Rest Home demolition.

On December 16, 2013, the City executed a contract time change order to Riggs-Harrod Builders' construction contract extending the original 300 day construction schedule by 55 days, extending substantial completion to February 8, 2014.

Issues/Analysis

Additional services are requested as a result of three issues:

1. The first issue is additional construction administration. The original construction schedule at the time of execution of the professional services agreement was 240 days. The current construction contract duration is 355 days. Ratio requests additional services compensation of \$12,650.00 for architectural and civil engineering construction administration based on the additional 115 days.

Ratio also requests additional services not-to-exceed allowance of \$10,080.00 to complete construction administration based on the current construction schedule extending 2 months beyond the substantial completion date of February 8, 2014.

2. The second issue involves remediation efforts arising out of incorrect placement procedures for a portion of the concrete slab and several footings, delayed curing of the slab concrete requiring extensive analysis, and failed steel inspections. These construction issues resulted in additional inspections, corrective recommendations and site reviews on the part of the design team. Further, there have been numerous revisions and reviews by the architect for non-conforming submittals. Ratio requests additional services compensation of \$8,290.00 for design efforts addressing non-conforming work. The City will seek reimbursement from the contractor as a back charge.
3. The third issue involves site conditions. As a result of site/soil issues which were part of the demolition of the Friendly Rest Home and time constraints for the start of construction of the Project, the Owner included additional site allowances prior to construction bidding. In addition, soil conditions due to weather, weather data analysis and remaining infrastructure required extensive investigation and administration for the first 6 months of construction. Ratio requests additional services compensation of \$3,600.00.

Additional contingency is recommended in the amount of \$15,000.00 to replenish contract contingencies for potential additional services in the event of weather delays or other unforeseen conditions. The amendment will also extend Ratio's contract 120 days in order to complete construction and close-out.

Alternatives

The Council could choose not to amend Ratio's professional services contract. Staff does not recommend this alternative as Ratio continues to provide construction administration in an effort to complete the project in a timely manner given the challenges to the construction schedule and the operational needs of Durham Parks and Recreation.

Financial Impact

Project Funding CH520		
Impact Fees	3000H000	\$ 1,327,726.00
2005 GO Bonds	3000H901	822,639.00
Installment Sales	3307C000	36,180.00
Total Project Funding		2,186,545.00
Funding Uses Summary		
Prior:		
Professional Services	3000H000-725000	\$ 37,625.00
	3000H901-731003	1,784.00
	3307C000-732203	27,541.00
Construction	3000H000-731000	1,094,903.34
	3000H901-731000	560,263.00
	3307C000-731000	6,921.00
Contingency	3000H000-731900	134,883.00
	3000H901-731900	86,144.00
	3307C000-731900	1,718.00
Furniture and Equipment	3000H000-732300	9,100.00
Other Owner's Expenses	3000H000-7210110, 728801,728500	1,594.66
Total		\$ 1,962,477.00
Current:		
Professional Services	3000H901-731003	\$ 174,448.00
Professional Services	3000H000-725000	34,620.00
Contract Contingency-Design	3000H000-731900	15,000.00
Total		224,068.00
Funding Uses Total		\$ 2,186,545.00

SDBE Summary

This is a contract amendment and was not reviewed by the Department of Equal Opportunity/Equity Assurance for compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.