



City of Arlington Council Agenda Bill

Item:
WS #3
Attachment
C


COUNCIL MEETING DATE:	
March 26, 2018	
SUBJECT:	
Contract with KBA, Inc. for construction management (CM) services for Arlington Valley Road project	
ATTACHMENTS:	
KBA, Inc. Construction Management Scope of Work and Fee	
DEPARTMENT OF ORIGIN	
Public Works	
EXPENDITURES REQUESTED:	\$370,400.00
BUDGET CATEGORY:	Transportation/Water/Sewer/Storm Funds
BUDGETED AMOUNT:	\$3,796,400.00 (<i>entire project</i>)
LEGAL REVIEW:	
DESCRIPTION:	
Proposal to review and accept Scope of Work and Fee for KBA, Inc. to provide construction management services to support the Arlington Valley Road Project.	
HISTORY:	
<p>The City is contracting with Scarcella Brothers, Inc. for construction of the Arlington Valley Road Project. This is a very large project with multiple agencies and multiple funding sources, the City does not have sufficient staff to manage this project full time and will be contracting out for Construction Management (CM) services.</p> <p>City staff reviewed qualifications from several consultants, rated the consultants, and has elected to enter into negotiations with KBA, Inc. The attached scope of work and fee is the result of those negotiations and will provide sufficient CM services to see this project from start-up through close out.</p>	
ALTERNATIVES:	
Do not approve the contract for construction management. Remand to staff for further information.	
RECOMMENDED MOTION:	
Workshop; discussion only. At the April 2, 2018 council meeting the motion will be "I move to approve the contract with KBA, Inc. for construction management of the Arlington Valley Road project and authorize the mayor to sign the contract, pending final review by the city attorney."	

EXHIBIT A
SCOPE OF SERVICES
Construction Management Services
for
Arlington Valley Road
Contract No.

KBA, Inc. (Consultant) will provide Construction Management (CM) services to the City of Arlington (Agency) for the Project known as ***Arlington Valley Road***. These services will include consultation, contract administration, field inspection, and documentation, as required during the construction of the Project, as detailed below.

Project Description: The Project consists of constructing approximately 3,800 linear feet of roadway, including excavation, grading, paving, sidewalk, trail, drainage, utilities, pavement markings, illumination, fencing, and landscaping. The Designer of Record is Reid-Middleton.

I. CONSTRUCTION MANAGEMENT SERVICES

A. Consultant Contract Management. Provide overall day-to-day management of the consultant contract and staff, including:

1. Decide on best modes and frequency of communication with Agency and use those modes. Liaison and coordinate with Agency on a regular basis to discuss Project issues and status.
2. Review monthly expenditures and CM team scope activities. Prepare and submit to Agency monthly, an invoice and progress report describing CM services provided that month.

Deliverables

- Monthly invoices and progress reports

B. Construction Phase Services – Contract Administration

1. Liaison with the Agency, construction contractor, appropriate agencies, property owners, and utilities.
2. Provide the Agency with brief monthly construction progress reports, highlighting progress and advising of issues which are likely to impact cost, schedule, or quality/scope.
3. Schedule Review:
 - a. Review construction contractor's schedules for compliance with Contract Documents.
 - b. Monitor the construction contractor's conformance to schedule and require revised schedules when needed. Advise Agency of schedule changes.
4. Progress Meetings. Lead regular (usually weekly) progress meetings with the construction contractor, including Agency pre-briefing. Prepare meeting agenda and meeting notes, and distribute copies to attendees. Track outstanding issues on a weekly basis.
5. Manage Submittal Process. Track and review, or cause to be reviewed by other appropriate party, work plans, shop drawings, samples, test reports, and other data submitted by the construction contractor, for general conformance to the Contract Documents.
6. Record of Materials. Maintain Records of Materials (ROM) and record documentation received, track required materials testing, and advise of any known deficiencies.
7. Prepare weekly statement of working days and distribute to the Agency, and Contractor.
8. Manage RFI (Request for Information) process. Track and review/evaluate, or cause to be reviewed/evaluated by other appropriate party, RFIs. Manage responses to RFIs.

9. Change Management. Evaluate entitlement, and prepare scope, impact, and independent estimate for change orders. Facilitate resolution of change orders.
10. Monthly Pay Requests. Prepare monthly requests for payment and/or review payment requests submitted by the construction contractor. Review with Agency and construction contractor, and recommend approval, as appropriate.
11. Evaluate construction contractor's Schedule of Values for lump sum items. Review the Contract Price allocations and verify that such allocations are made in accordance with the requirements of the Contract Documents.
12. Notify construction contractor of noncompliance with Contract Plans and Specifications.
13. Assist the Agency in the investigation of malfunctions or failures during construction.
14. Public Information. Provide information for Agency to prepare media communications and public notices on Project status. Provide information for Agency's inclusion into a Project website and/or newsletters, if requested.
15. Record Drawings. Review not less than monthly, the construction contractor's redline set of contract plans. Maintain a CM Team set of conformed drawings tracking plan changes, location of discovered anomalies and other items, as encountered by the CM team. Use these markups to check the progress of the Contractor-prepared Record Drawings.
16. Document Control. Establish and maintain document filing and tracking systems, following Agency guidelines and meeting funding agency requirements. Collect, organize, and prepare documentation on the Project.
 - a. One hard copy of files will be kept in the Project field office.
 - b. Electronic documentation will be stored in a Project Website, using SharePoint software, managed and hosted by the Consultant. The Agency and contractor will be provided with up to 1 each license for their and the construction contractor's use of the SharePoint website during the Project. Consultant will provide one combined training session for Agency and construction contractor users of the SharePoint system.
17. Project Closeout. Prepare Letters of Substantial (including punch list), Physical, and Final Completion for Agency approval and signature. Prepare final pay estimate for Agency review and approval and processing.
18. Final Records. Compile and convey final Project records, transferring to the Agency for archiving at final acceptance of the Project. Records will consist of hard copy originals and electronic records on electronic storage medium.

Deliverables

- Monthly Construction Progress Reports
- Schedule Review Comments
- Meeting Agendas and Notes
- Submittal Log
- Record of Materials
- RFI Log
- Change Order(s)
- Progress Pay Requests
- Letters of Completion
- Final records – hard copy and electronic

C. Construction Phase Services – Field

1. Inspect the technical conduct of the construction, including providing day-to-day contact with the construction contractor, Agency, utilities, and other stakeholders, and monitor for

- adherence to the Contract Documents. The Consultant's personnel will act in accordance with Sections 1-05.1 and 1-05.2 of the WSDOT/APWA Standard Specifications.
2. Inspect material, workmanship, and construction areas for compliance with the Contract Documents and applicable codes. Advise the Agency of any non-conforming work observed during site visits.
 3. Prepare Inspector Daily Reports (IDRs), recording the construction contractor's operations as actually observed by the Consultant; includes quantities of work placed that day, contractor's equipment and crews, and other pertinent information.
 4. Interpret Construction Contract Documents, in coordination with Designer of Record.
 5. Evaluate issues which may arise as to the quality and acceptability of material furnished, work performed, and rate of progress of work performed by the construction contractor.
 6. Establish communications with adjacent property owners. Respond to questions from property owners and the general public.
 7. Coordinate with permit holders on the Project to monitor compliance with approved permits, if applicable.
 8. Prepare Field Note records and documents to help facilitate administration of the Project in accordance with funding agency requirements.
 9. Prepare Daily Records of Force Account Work (Force Account) for work not measured by unit or lump sum.
 10. Attend and actively participate in regular on-site meetings.
 11. Take periodic digital photographs during the course of construction.
 12. Punch List. Upon substantial completion of work, coordinate with the Agency and affected agencies, to prepare a 'punch list' of items to be completed or corrected. Coordinate final inspection with those agencies.
 13. Testing. Conduct or cause to be conducted, materials and laboratory tests. Coordinate the work of the Field Representative(s) and testing laboratories in the observation and testing of materials used in the construction; document and evaluate results of testing; and inform Agency, and construction contractor of deficiencies.

Deliverables

- IDRs with Project photos – submitted on a weekly basis
- Punch List(s)
- Test reports
- Field Note Records
- Daily Records of Force Account Worked

D. Assumptions

1. Budget:
 - a. Staffing levels are anticipated in accordance with the attached budget estimate. Consultant services are budgeted for a 195 day period, from April 2, 2018 through January 8, 2019. This is intended to span the originally planned 180 construction working days, plus time allotted for Project setup and closeout. Overtime has not been figured into the budget.
 - b. Consultant will work up to the limitations of the authorized budget. If additional budget is needed to cover such instances as the following, Agency and Consultant will negotiate a supplement to this Agreement:
 - i. The contractor's schedule requires inspection coverage of extra crews and shifts.

- ii. The construction contract runs longer than the time period detailed above.
 - iii. Any added scope tasks.
 - iv. Adjustment of Consultant Indirect Cost Rate (ICR) percentage pursuant to the terms as outlined in Section V. of the Prime LAG Agreement.
 - v. The work is anticipated to be performed during daytime hours. Should night work be necessary, a 15 percent differential for labor will be applied to all night shift hours worked by Consultant's staff.
 - c. The budget allocations shown on Exhibit B are itemized to aid in Project tracking purposes only. The budget may be transferred between tasks or people, or between labor and expenses, provided the total contracted amount is not exceeded without prior authorization.
 - d. The budget assumes that Consultant's standard forms, logs, and processes will be used on the Project SharePoint site. Any customization to meet specialized Agency requirements will be Extra Work.
- 2. Items and Services Agency will provide:
 - a. Meeting arrangements and facilities for pre-bid and preconstruction meetings. Prepare and distribute meeting notes from pre-bid meeting(s), if any.
 - b. Field office including:
 - i. workstations (desk, chair, and storage) for two staff
 - ii. conference table and chairs
 - iii. combination printer/copier/scanner machine with these capabilities: 11x17 size, color
 - iv. miscellaneous office supplies
 - v. utilities and sanitary facilities
 - c. Engineer of Record for shop drawing review, RFIs, design changes, and final record drawings.
 - d. Coordination with and enforcement of utility franchise agreements and/or contracts and schedules for services related to this Project.
 - e. Verify that the required permits, bonds, and insurance have been obtained and submitted by the construction contractor. Obtain all permits not required to be provided by construction contractor.
 - f. Construction Survey. Provide project control survey and staking that is not already assigned to the construction contractor.
- 3. Scope:
 - a. The SharePoint tool being used on this Project is proprietary to the Consultant (KBA, Inc.), and may not be used by any other party or on any other project without the written permission and involvement of KBA, Inc.
 - b. Consultant will provide inspection services for the days/hours that its' Inspector(s) personnel is/are on-site. The Inspector(s) will not be able to observe or report construction activities, or collect documentation, during the time they are not on-site.
 - c. The Consultant's monitoring of the construction contractor's activities is to ascertain whether or not they are performing the work in accordance with the Contract Documents; in case of noncompliance, Consultant will reject non-conforming work and pursue the other remedies in the interests of the Agency, as detailed in the Contract Documents. The Consultant cannot guarantee the construction contractor's performance, and it is understood that Consultant shall assume no responsibility for proper construction means, methods, techniques, Project site safety, safety precautions or programs, or for the failure

of any other entity to perform its work in accordance with laws, contracts, regulations, or Agency's expectations.

- d. Definitions and Roles. The use of the term "inspect" in relation to Consultant services is synonymous with "construction observation", and reference to the "Inspector" role is synonymous with "Field Representative," and means: performing on-site observations of the progress and quality of the Work and determining, in general, if the Work is being performed in conformance with the Contract Documents; and notifying the Agency if Work does not conform to the Contract Documents or requires special inspection or testing. Where "Specialty Inspector" or "specialty inspection" is used, it refers to inspection by a Building Official or independent agent of the Building Official, or other licensed/certified inspector who provides a certified inspection report in accordance with an established standard.
- e. Because of the prior use of the Project site, there is a possibility of the presence of toxic or hazardous materials. Consultant shall have no responsibility for the discovery, presence, handling, removal or disposal of toxic or hazardous materials, or for exposure of persons to toxic or hazardous materials in any form at the Project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB), or other toxic substances. If the Consultant suspects the presence of hazardous materials, they will notify the Agency immediately for resolution.
- f. Review of Shop Drawings, samples, and other submittals will be for general conformance with the design concept and general compliance with the requirements of the contract for construction. Such review will not relieve the Contractor from its responsibility for performance in accordance with the contract for construction, nor is such review a guarantee that the work covered by the shop drawings, samples and submittals is free of errors, inconsistencies or omissions.
- g. Any opinions of probable construction cost provided by the Consultant will be on the basis of experience and professional judgment. However, since Consultant has no control over competitive bidding or market conditions, the Consultant cannot and does not warrant that bids or ultimate construction costs will not vary from these opinions of probable construction costs.
- h. Development of construction schedules and/or sequencing, and/or reviewing and commenting on contractor's schedules, is for the purpose of estimating number of days to complete a project, and for identifying potential schedule and coordination challenges and determining compliance with the construction contract. It is not a guarantee that a construction contractor will complete the Project in that sequence or timeline, as means and methods are the responsibility of the construction contractor.
- i. Consultant is not responsible for any costs, claims or judgments arising from or in any way connected with errors, omissions, conflicts or ambiguities in the Contract Documents prepared by others. The Consultant does not have responsibility for the professional quality or technical adequacy or accuracy of the design plans or specifications, nor for their timely completion by others.
- j. If Consultant provides Value Analysis or Value Engineering services, it is understood that any ideas, advice, or recommendations generated by the Consultant are made based only on the information presented to them, and need engineering analysis by the Agency to verify; Consultant is not responsible for the final design product.
- k. RCW 4.24.115 is applicable to Consultant's services provided under this Agreement.
- l. Services provided by the Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances, in the same geographical area and time period.

- m. Agency agrees that Consultant will not be held liable for the completeness, correctness, readability, or compatibility of any electronic media submitted to Agency, after an acceptance period of 30 days after delivery of the electronic files, because data stored on electronic media can deteriorate undetected or can be modified without Consultant's knowledge.
- n. Consultant will not be liable for any damage to the office premises or utilities provided by Agency, unless caused by Consultant's own negligence.
- o. Regarding Article XIX. Protection of Confidential Information, of the LAG Agreement, KBA will perform services under the following assumptions, and such assumptions are assumed acceptable to the AGENCY and the STATE: The AGENCY and/or the STATE will identify each and any item considered to be "State's Confidential Information" as "confidential", as detailed below. Any information received by CONSULTANT that is not so labeled, will be assumed by CONSULTANT to not be "State's Confidential Information". CONSULTANT will return all items pre-identified as State's Confidential Information, to the AGENCY, and will not be required to take any other steps to protect that information.

II. OPTIONAL SERVICES

All services not detailed above, are considered Optional Services, which, along with any other Extra Work requested by the Agency, will be performed only when a mutually negotiated Supplement to this Agreement is executed, specifying scope of services and budget.



Project Name: Arlington Valley Rd

Client Project No.: TBD
 KBA Project No.: BP 14-118-01
 Contract Type: Cost & Net Fee (on DSC only)
 Date Prepared: 3/12/2018
 Prepared by: Sam Schuyler
 Salary Escalation: 5%

Determination of Hours	Month	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
	Days/Mo	21	22	21	21	23	19	23	20	20	22
	Hr/Mo	168	176	168	168	184	152	184	160	160	176
	Extra Work	11%	12%	12%	12%	12%	12%	11%	10%	4%	6%
	Adj Hr/Mo	186	197	188	188	206	170	204	176	166	187

Schedule	Start-Up												Closeout
	CONSTRUCTION												
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19			

KBA Labor Hours

Employee	Title	2018 Rate	2019 Rate*	Total Hours	2018 Total	2019 Total	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
K. Adams	(M4) Principal in Charge	\$259.31	\$272.27	4	4	-	1	-	1	-	-	1	-	1	-	-
Sam Schuyler	(M2) Project Manager	\$208.96	\$219.41	85	81	4	9	9	9	9	9	9	9	9	9	4
Jennifer Payne	(A5) Contract Admin	\$113.89	\$119.58	16	12	4	4	1	1	1	1	1	1	1	1	4
Rosalie Wu	(E5) RE (80%)	\$155.52	\$163.29	1,256	1,216	40	134	141	134	134	147	122	147	128	128	40
Dane Setzer	(E2) Inspector (FTE)	\$85.89	\$90.18	1,560	1,520	40	168	176	168	168	184	152	184	160	160	40
Subtotal - KBA Labor Hours				2,921	2,833	88	316	327	313	312	341	285	341	299	298	88

Direct Expenses

Item	Total Costs	2018 Total	2019 Total	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Vehicles @ \$6.62/hour (plus tax) for RE & Inspector, and Mileage for PM	\$ 19,651	19,048	602	2,106	2,201	2,106	2,106	2,297	1,915	2,297	2,011	2,011	602
Misc. Supplies, Equipment, Copies, Postage	\$ 261	237	24	30	30	30	25	25	25	24	24	24	24
Subtotal - Direct Expenses	\$ 19,912	19,285	626	2,136	2,231	2,136	2,131	2,322	1,940	2,321	2,035	2,035	626

Combined Costs

Employee	Title	2018 Rate	2019 Rate*	Total DSC	2018 Total	2019 Total	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
K. Adams	(M4) Principal in Charge	\$259.31	\$272.27	\$ 1,037	1,037	-	259	-	259	-	-	259	-	259	-	-
Sam Schuyler	(M2) Project Manager	\$208.96	\$219.41	\$ 17,803	16,926	878	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	878
Jennifer Payne	(A5) Contract Admin	\$113.89	\$119.58	\$ 1,845	1,367	478	456	114	114	114	114	114	114	114	114	478
Rosalie Wu	(E5) RE (80%)	\$155.52	\$163.29	\$ 195,643	189,111	6,532	20,902	21,897	20,902	20,902	22,892	18,911	22,892	19,906	19,906	6,532
Dane Setzer	(E2) Inspector (FTE)	\$85.89	\$90.18	\$ 134,160	130,553	3,607	14,430	15,117	14,430	14,430	15,804	13,055	15,804	13,742	13,742	3,607
Loaded Salary Costs				\$ 350,488	338,993	11,495	37,927	39,008	37,585	37,326	40,691	34,220	40,691	35,903	35,643	11,495
Direct Expenses (No Markup)				\$ 19,912	19,285	626	2,136	2,231	2,136	2,131	2,322	1,940	2,321	2,035	2,035	626
TOTAL ESTIMATED COSTS				\$ 370,400	358,279	12,122	40,063	41,239	39,721	39,457	43,012	36,160	43,011	37,937	37,678	12,122

* 2018 Rates are Direct Salary Costs (DSC). 2019 Rates noted for Estimating purposes are calculated on 5% escalation. Actual 2019 DSC rates will be billed for 2019 and will not exceed the rates noted above. Rounded to nearest whole dollar.

CONFIDENTIAL & PROPRIETARY TO KBA, INC.