Memo

To: Mayor McCarthy, City Council
From: Jeff Arango, AICP - Director of Community Planning
Date: September 11, 2013

Re: Second Street Construction Management Contract

Construction management for the Second Street Project is a key component of the project construction particularly due to the requirements associated with the federal funding for the project. As part of the city's design contract with KPG the city has an option to retain KPG for construction management services. KPG has done an outstanding job on the design and management of the project design phase and staff believes there is a benefit of having the firm that did the design perform the construction management duties because of the overall familiarity with the design plans and key project stakeholders including city officials, residents and local business owners. In addition, KPG has experience providing construction management services on similar projects including the Burien Town Square project and were highly recommended by Burien officials during the selection process for the design contract.

Staff has had the construction management contract reviewed by representatives from WSDOT that manage federally funded projects including our Second Street Project. The WSDOT representatives recommend providing full time inspection for the project, which is the major cost driver of the construction management contract. Staff has incorporated all WSDOT comments into a revised construction management contract [attached].

Recommendation

Staff recommends the city council approve a construction management contract with KPG in the amount of $231,706.00, which includes a $10,000. The management reserve is to cover unforeseen additional costs without the requirement for a contract amendment while still requiring prior city approval.
**EXHIBIT E-2**

**FEE SUMMARY**

**Project:** City of Langley  
Second Street Improvement Project - Supplement No. 2: Construction Services

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<th>Estimated Fee</th>
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<td>Task 6 - Change Management</td>
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**Subtotal:** $ 221,706.00  
**Management Reserve:** $ 10,000.00  

**Total:** $ 231,706.00

9/10/2013
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**Total**: $232,960.00

**Change Management**:

- Item List
- Fee Breakdown
- Total Fee: $232,960.00

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**Project:** City of Langley

**Exhibit:** Hour and Fee Estimate

**KPC**
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Total Remunerable Costs: $20,900.00
EXHIBIT A-2

City of Langley

Second Street Improvement Project

SCOPE OF WORK

September 10, 2013

Supplement No. 2

Construction Services

This work will be to provide construction management services for the construction contract to complete the Second Street Improvement Project (hereinafter called “Project”). These services will include project management, inspection, materials testing, public involvement, and contract administration during the construction of the project, as detailed below. KPG (“Consultant”) will provide to the City of Langley, Washington (“City”) construction management and engineering services for the project. A detailed scope for the Contract follows:

I. INTRODUCTION

The following scope of services and associated costs are based upon the assumptions outlined below.

Assumptions:

• The proposed project team will include a part-time project manager, a part-time project engineer, a part-time documentation specialist, and one full-time inspector during construction activities, necessary sub-consultants to provide services for materials testing, and other supporting tasks as deemed necessary. The level of services is based on project duration of approximately 5 months, or approximately 100 working days. It is anticipated that full time site observation will be required for the entire duration of construction and that supplemental observation will be necessary for specialized work elements such as landscaping and major storm facilities.

• Services will be performed in accordance with the Local Agency Guidelines (LAG) and the WSDOT Construction Manual.

• Hours of work: Work is anticipated to take place during daylight hours on a single shift of 8 hours per day, 5 days per week. No night or weekend work is anticipated as part of this scope of services.

• Field office: It is recognized that the City will provide a field office and other items for use by field staff. Other items and supplies may be needed for the field office, including marking paint, and other items, which will be invoiced.

Project Objectives

The objective and purpose of this Construction Management Services Agreement is for the Consultant to successfully deliver the construction of the Project to the City by ensuring that the improvements are constructed in accordance with the approved Plans and Specifications, as may be amended or revised, that all of the required Project documentation is accounted for, and ultimately that the City receives an outstanding review by WSDOT local programs at the end of the Project.
II. SCOPE OF WORK

TASK 1 – MANAGEMENT/COORDINATION/ADMINISTRATION
Provide overall project management, coordination with the City, monthly progress reports, and invoicing. This effort will include the following elements.

- Organize and layout work for project staff. Prepare project instructions on contract administration procedures to be used during construction.

- Review monthly expenditures and CM team scope activities. Prepare and submit project progress letters to the City along with invoices describing CM services provided each month. Prepare and submit reporting required by funding source(s), if any.

Deliverables
- Monthly invoices and progress reports

TASK 2 – PRECONSTRUCTION SERVICES

2.1 Contractor Bid Documentation Review: The Consultant will review the bids submitted by the contractors for conformance to the required project documentation, prepare a bid tab of the submitted bids and check contractor references.

2.2 Preconstruction Conference: The Consultant will prepare an agenda for, distribute notices of, and conduct a preconstruction conference in the City’s offices. The Consultant’s project manager, project engineer, document control specialist, and inspector will attend the preconstruction conference. The Consultant will prepare a written record of the meeting and distribute copies of the minutes to all attendees and affected agencies, staff, etc.

At the Pre-construction conference, the Consultant shall facilitate discussions with the Contractor concerning the plans, specifications, schedules, and issues with utilities, unusual conditions, federal, state, and local requirements, EEO, DBE, and any other items that will result in better project understanding among the parties involved.

Deliverables
- Bid review and recommendation of award
- Preconstruction conference agenda with meeting minutes

TASK 3 – CONSTRUCTION SERVICES - FIELD

3.1 The Consultant shall provide the services of one part-time project engineer, one full-time inspector, and one part-time documentation control specialist, and other tasks necessary to monitor the progress of the work. Construction staff shall oversee the following items of work, on the project site, and will observe the technical progress of the construction, including providing day-to-day contact with the Contractor and the City.

- Street improvements (approximately 850 LF) on 2nd Street from Anthes Avenue to Cascade Avenue.
- Excavating and removing of existing pavement, curb, sidewalk and driveways.
EXHIBIT A-2

- Constructing curb, gutter and concrete sidewalks.
- Asphalt and concrete paving for roadway for roadway.
- Installation of paver systems.
- Reconstructing driveways.
- Property restoration
- Installing channelization and signing
- Installing new water main, water services and fire hydrants
- Adjusting surface utilities to grade
- Installing City electrical conduit system
- Installing new storm drainage system and raingarden
- Installing urban design features, street furniture, landscaping and irrigation system.
- Storm drainage and channelization improvements on Cascade Ave from 2nd St to 4th St.
- And all incidental items necessary to complete the Work as described in the Plans and/or Specifications.
- Coordination of Traffic Control with the City of Langley

The Utilities will provide inspection for work associated with the Utility Schedules; however, the Consultant shall administer the work of the Contractor as provided under the agreements between the City and the Utilities. The presence of the Consultant’s personnel at the construction site is for the purpose of providing to the City a greater degree of confidence that the completed work will generally conform to the Contract Documents, meet all applicable federal funding requirements, and ensure that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the construction Contractor(s). The Consultant’s personnel shall act in accordance with Section 1-05.1 and 1-05.2 of the current WSDOT Standard Specifications. The Consultant will endeavor to protect the city against defects and deficiencies in the work of the Contractor(s), but cannot guarantee the Contractors’ performance and shall not be responsible for construction means, methods, techniques, sequences of procedures, or for safety precautions and programs in connection with the work performed by the construction contractor(s) and any subcontractors.

Field inspection staff will perform the following duties as a matter of their daily activities:

i. Observe technical conduct of the construction, including providing day-to-day contact with construction contractor, City, 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 Standard Specifications.

ii. Observe material, workmanship, and construction areas for compliance with the Contract Documents and applicable codes, and notify construction contractor of noncompliance. Advise the City of any non-conforming work observed during site visits.

iii. Document all material delivered to the job site in accordance with the LAG Manual.

iv. Prepare daily inspection reports, 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. All daily inspection reports will adhere to WSDOT Local Agency Guidelines.

v. Interpret Contract Documents in coordination with City and KPG.

vi. Resolve questions 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.

vii. Establish communications with adjacent property owners. Respond to questions from property owners and the general public.

viii. Coordinate with permit holders on the Project to monitor compliance with approved permits, if applicable.

ix. Prepare field records and documents to help assure the Project is administered in accordance with funding agency requirements (Construction Manual 10-2.1B). The Utilities will provide measurement and payment information to the consultant for development of monthly pay estimates.

x. Collect and calculate delivery tickets and scalesman’s daily reports of aggregate. All tickets will be initialed with correct bid item and stationing identified.

xi. Attend and actively participate in regular on-site meetings.

xii. Take periodic digital photographs during the course of construction.

xiii. Coordinate with the City’s maintenance personnel.

xiv. Conduct wage rate interviews and DBE interviews in accordance with the LAG Manual.

xv. Punch list. Upon substantial completion of work, coordinate with the Client and affected agencies, to prepare a ‘punch list’ of items to be completed or corrected. Coordinate final inspection with those agencies.

xvi. Audits: Provide oversight during audits performed by WSDOT Local Programs and others.

Assumptions:

- Consultant will provide observation services for the days/hours that their Inspector personnel is/are on-site. The Inspector will not be able to observe or report construction activities, or collect documentation, during the time they are not on-site.

- 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 City, as detailed in the Contract Documents. The Consultant cannot guarantee the construction contractors’ 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 City’s expectations.

3.2 Materials Testing: Coordinate and manage materials testing sub-consultants for construction services, who will provide materials testing services as required, up to $15,000. Coordinate the work of the materials testing technicians and testing laboratories in the observation and testing of
EXHIBIT A-2

materials used in the construction; document and evaluate results of testing; and address
deficiencies. Frequency of testing shall be as prescribed in the WSDOT Construction Manual
and LAG manual for the following materials: structural concrete, roadway asphalt, roadway
surfacing, roadway base material, and structural grout and any other testing as prescribed within
the project Specifications and WSDOT Standard Specifications 2012.

Qualified tester requirements as identified in WSDOT LAG 52.3.32 illustrate that for projects on
non-NHS highway systems, there is no requirement for qualified testers, but the requirements
within the manual must be followed if federal funding applies. Therefore, material testing will be
conducted by contracted sub-consultant laboratories services that meet the following
accreditations: AASHTO R18, A2LA, USACE, Ecology, AMRL, CCRL. The sub-consultant
laboratory personnel will hold certifications from ACI and NICET.

Assumptions:

It is assumed that materials that require fabrication inspection per WSDOT LAG 52.3.32 will be
conducted by WSDOT through contract with the City. Materials that fall within this category
include: structural steel beams or fabricated welded items, structural precast concrete items, and
signs.

3.3 Substantial Completion: Upon substantial completion of work, coordinate with the City and
other affected agencies, to perform a project inspection and develop a comprehensive list of
deficiencies or ‘punchlist’ of items to be completed. A punchlist and Certificate of Substantial
Completion will be prepared by the Consultant and issued by the City.

Deliverables

- Daily Construction Reports with project photos – submitted on a weekly basis
- Punch List, Certificate of Substantial Completion
- Review test reports for compliance

TASK 4 – CONSTRUCTION SERVICES - OFFICE

4.1 Document Control. Original documentation will be housed at the Consultant’s office, and
filed in accordance with standard filing protocol to meet WSDOT Highways & Local Program
Requirements. A copy of working files will be maintained in the field office.

Document Control also consists of preparing Final Project Reports for the City for WSDOT and
FHWA acceptance and includes:
- Final Estimate (Approving Authority File)
- Comparison of Preliminary and Final Quantities (Approving Authority File)
- Final Records as identified in WSDOT LAG (Approving Authority File)
- Record of Material Samples and Tests
- Materials Certification
- Affidavit of Wages Paid
- Release for the Protection of Property Owners and General Contractor
- DOT Form 422-102 EF, Quarterly Report of Amounts Credited as DBE Participation

4.2 Project Coordination: Liaison with City, construction contractor, engineer, utilities and
property owners on a regular basis to discuss project issues and status.
4.3 Plan Interpretations: Provide technical interpretations of the drawings, specifications, and contract documents, and evaluate requested deviations from the approved design or specifications. Coordinate with City for resolution of issues involving scope, schedule, and/or budget changes.

4.4 Weekly Meetings: Lead weekly meetings, including preparation of agenda, meeting minutes, and distribution of minutes to attendees. Outstanding issues to be tracked on a weekly basis.

4.5 Initial Schedule Review: Perform detailed schedule review of contractor provided CPM for conformance with the contract documents.

4.6 Lump Sum Breakdown: Evaluate construction contractors’ 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. Lump Sum Breakdowns for payment each month will be calculated with detailed data per WSDOT LAG Requirements.

4.7 Monthly Pay Requests: Prepare monthly requests for payment, review with the City and contractor and approve, as permitted. Utilize City provided format for pay estimates, or Consultant format. The Utilities to provide quantities for payment for work associated with Utility Schedules.

4.8 Monthly Schedule Review: At the monthly cutoff, review contractor’s updated schedule and compare with field-observed progress, as described in Section 1-08 of the Special Provisions. In addition, perform schedule analysis on contractor provided CPM updates and review schedule for delays and impacts. Coordinate with Contractor in the development of recovery schedules, as needed, to address delays caused by either events or issues within the Contractor’s control or other events or issues beyond the Contractor’s control.

4.9 Certified Payroll: Process and track all certified payroll per WSDOT Highways & Local Program Requirements. This includes verifying 30% of all payrolls submitted and tracking payroll each week. Payroll and payroll logs will adhere to WSDOT LAG requirements.

4.10 Weekly Statement of Working Days: Prepare and issue weekly statement of working day report each week.

4.11 WSDOT & FHWA Reporting: Prepare and track all necessary reports per WSDOT Highways & Local Program Requirements. This will include DBE condition of award tracking throughout the project, DBE Reporting, EEO reporting, and DBE on site reviews. Periodically meet with WSDOT Highways and Local Programs staff as requested to review project status.

4.12 Subcontractor Documentation: Process / approve all required subcontractor documentation per WSDOT Highways & Local Program Requirements. Request to Sublets will be verified and logged. Certification for Federal Aid will be obtained from all subcontractors. This includes checking System Award Management System (SAMS), verifying OM/WBE, verifying business licensing, reviewing insurance documentation, verifying city business licensing, Intent to Pay Prevailing Wage and Affidavit of Wages Paid. All subcontractor documentation will be logged into WSDOT’s subcontractor logs.
4.13 **Record Drawings**: Review record drawings prepared by the Contractor and Utilities, and prepare a conformed set of project record drawings based on Contractor provided information and from inspection notes. Record drawings to be verified on a monthly basis, as part of the progress payment to the Contractor. Upon project completion, contractor provided markups will be verified for completeness and supplemented with inspection information. The Consultant will prepare record drawings in AutoCAD format based on construction records provided by the Contractor. Electronic and full size mylar record drawings will be provided to the City.

4.14 **Audit Oversight**: Provide oversight during audits performed by WSDOT Local Programs and others.

4.15 **Physical Completion Letter**: Following completion of all punchlist work, prepare physical completion letter to the contractor and WSDOT, and recommend that City and/or Utilities accept the project.

4.16 **Project Closeout**: Transfer all project documents to the City for permanent storage.

- Schedule review comments
- As-built schedule
- Meeting agendas and notes
- Monthly Pay Estimates
- WSDOT Reporting
- Subcontractor Packets
- Cost Projection
- Physical Completion Letter
- Final Project Documents

**TASK 5 – SUBMITTAL/RFI PROCESSING**

5.1 **Submittals**: Coordinate review process for shop drawings, samples, traffic control plans, test reports, and other submittals from the Contractor for compliance with the contract documents. Key submittals to be transmitted to the City for their review and approval. Submittals shall be logged and tracked.

5.2 **Request for Information (RFI)**: Review and respond to RFI’s. RFI’s shall be logged and tracked.

5.3 **Record of Materials (ROM)**: Utilize ROM prepared by WSDOT and update based on Special Provisions and Plans for use on the project, based on the contract specifications and WSDOT/LAG requirements. Maintain the ROM according to WSDOT Highways & Local Program Requirements. The ROM will track all of the materials delivered to the site including manufacturer/supplier, approved RAM’s, QPL items, material compliance documentation, and all other required documentation.

**Deliverables**

- Submittal log
- RFI Log
EXHIBIT A-2

• Completed Record of Material for Material Certification

TASK 6 – CHANGE MANAGEMENT

6.1 Case Log: Develop and maintain a case log which includes change orders, RFP’s, Field Work Directives per Highway & Local Programs Guidelines

6.2 Change Orders: Develop change orders per Highway & Local Programs Guidelines, provide technical assistance to negotiate change orders, and assist in resolution of disputes which may occur during the course of the project. A total of 160 hours have been included in the cost for services. Each change order will be executed in accordance with WSDOT Local Agency Guidelines and contain the following:
  • Change order
  • Independent Cost Estimate
  • Time Impact Analysis
  • Contractor’s Pricing
  • Verbal Approval Memo
  • Change Order Checklist (LAG Manual)
  • Change Order Request Form
  • Back up documentation

6.3 Field Work Directives: Prepare field work directives as necessary to keep the contractor on schedule.

6.4 Force Account: Track contractor force account labor, equipment and materials. Provide payment according to WSDOT requirements. All force account calculations will be verified by the engineer and double checked by the documentation specialist per WSDOT LAG Manual.

Deliverables
  • Change Order(s)
  • Case Management Log
  • RFI Log
  • Minor Change Order(s)
  • Force Account Records

TASK 7 – MANAGEMENT RESERVE

The services described under this task, and any other additional services requested by the City, will be performed only when authorized by the City. Authorization to perform additional services will be in the form of a supplement to this agreement, specifying the work to be performed, and basis of payment.

• Produce traffic advisories and other news releases at project milestones.

• Right of Entry Support: Develop a matrix of property owners that will document commitments to each property owners, property restoration, and other related impacts. Assist the City with any right of entry agreements that have not been previously secured.
• Provide any additional services resulting from changes in scope or design of the project. Changes include, but are not limited to, changes in size, complexity, the schedule, character of construction, or method of financing.

• Preparation of award submittal for APWA, ASCE, and other agencies.

• Provide claims analysis and assistance in resolving claims that are protracted in nature and beyond the scope of the change order process described herein.

• Ribbon Cutting Ceremony: Conduct a ribbon cutting ceremony that provides information about the project elements and schedule, and that provides information about how to stay informed through the project. Handouts to be prepared for this task. Refreshments, tables, and other necessary items to be provided by the Consultant.

• Media Relations: Produce and distribute periodic press releases at key milestones about the project and its progress. Meet with press to help develop stories about the project.

• Other activities deemed necessary by the City.

III. TO BE PROVIDED BY CITY:

1. Construction office and access to copy machine.
2. Postage to be provided by the City for any mass mailings.
3. Spreadsheet of property owners