



CITY OF POMONA COUNCIL REPORT

February 24, 2020

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Benita DeFrank, Neighborhood Services Director

Subject: **Recommend Amendment to the Engagement Letter Agreement with Cumming Construction Management, Inc. in the Amount of \$117,015 for Construction Management Services for the Year-Round Emergency Shelter and Emergency Shelter Annex**

OVERVIEW:

Recommendation – That the City Council:

1. Amend the Engagement Letter Agreement with Cumming Construction Management, Inc. in the amount of \$117,015 to provide staff augmentation for Construction Management Services for the “Year-Round Emergency Shelter,” CIP Project No. 428-2590-XXXXX-71044 and “Emergency Shelter Annex/Water Utility Access,” CIP Project No. 428-2590-XXXXX-71053; and
2. Authorize the City Manager to execute all documents and subsequent amendments related with this action, with approval of the City Attorney as to form.

Fiscal Impact – Funds for this procurement are available in the “Year-Round Emergency Shelter,” Capital Improvement Program (CIP) Project Number 428-2590-XXXXX-71044 and in “Emergency Shelter Annex/Water Utility Access,” CIP Project No. 428-2590-XXXXX-71053.

The following table summarizes the fiscal impact of this action.

| Category | “Year-Round Emergency Shelter” Project No. 428-2590-XXXXX-71044 |
|--|--|
| Beginning Budget (Funded) | \$12,060,016 |
| Less Expenditures/Encumbrances (as of February 5, 2020) | (\$11,059,439) |
| Less Amendment to Cumming Contract | (\$75,000) |
| Budget Remaining for Construction Contract, Construction Contingency, Internal and Miscellaneous Costs | \$925,577 |

| Category | “Emergency Shelter Annex/Water Utility Access” Project No. 428-2590-XXXXX-71053 |
|--|--|
| Beginning Budget (Funded) | \$1,705,228 |
| Less Expenditures/Encumbrances (as of February 5, 2020) | (\$1,133,193) |
| Less Amendment to Cumming Contract | (\$42,015) |
| Budget Remaining for Construction Contract, Construction Contingency, Internal and Miscellaneous Costs | \$530,020 |

Authority - In accordance with Section 2-1005 (4) of the City Code, the requested amendment in the amount of \$117,015 will increase the Cumming contract to \$447,230 which exceeds the \$200,000 limit as set forth in this section of the City Code for Public Works projects.

Previous Council Actions – On April 14, 2018, an Engagement Letter Agreement in the amount of \$58,000 was signed with Cumming Construction Management, Inc. On August 6, 2018, City Council authorized an amendment to the agreement in the amount of \$85,600 to assist with Phase II of the construction of the Year-Round Emergency Shelter. On February 4, 2019, City Council authorized an amendment in the amount of \$66,990. On June 17, 2019, City Council authorized an amendment in the amount of \$119,625.

EXECUTIVE SUMMARY:

As of April 2018, Cumming Construction Management, Inc. has been engaged by the City to provide construction management for the “Year-Round Emergency Shelter,” CIP Project No. 428-2590-XXXXX-71044 (“Project”). This professional augmentation to staff has benefited the City in addressing construction concerns regarding the Year-Round Emergency Shelter. Staff is recommending that City Council amend the current Letter of Engagement to extend the services of Cumming through completion of Phase II of the Year Round Emergency Shelter, installation of shade structures on the site and construction of the parking lot at 1390 E. Mission, for an amount not to exceed \$117,015, increasing the total agreement to \$447,230.

BACKGROUND

In December 2017, a detailed scope of work was developed and based on the Specialty Area B-12, (Construction Management) of the Public Work Department’s Approved Master Consultant list. Five pre-qualified consultants from the category were contacted to submit proposals for the category.

Two proposals were received and reviewed in accordance with City’s Quality Based Selection (QBS) process for professional services which included review of technical experience, approach, resource allocation, and delivery schedule. Cumming Construction Management’s overall approach and methodology was comprehensive and met all of the necessary criteria. Because of Cumming’s qualifications, an Engagement Letter Agreement was signed under City Code Section 2-1003 authority of the City Manager on April 14, 2018 in the amount of \$58,000. This agreement provided for construction management services regarding Phase I of the “Year-Round Emergency Shelter,” CIP Project No. 428-2590-XXXXX-71044” (Project) through August 31, 2018.

DISCUSSION

As the City completes construction of Phase II of the Year-Round Emergency Shelter project, moves forward to install shade structures on the Hope for Home campus and begins construction of the parking lot at 1390 E. Mission, staff is recommending the continued use of Cumming Construction Management to assist staff with professional construction oversight. Following a delay in performance by TELACU, the company contracted to construct the Year-Round Emergency Shelter, Cumming was engaged to provide project management services and to recommend solutions for consideration to all issues, problems, and/or concerns that arise during the course of the Project.

As of April 2018, Cumming staff has intervened on behalf of the City regarding areas of construction management of the Project, coordinating meetings to complete the scope of work, requesting necessary construction and subcontractor documentation to meet various regulations, reviewing invoices for payment, and addressing administrative and management elements necessary to complete the Project. In addition, Cummings has been instrumental in coordinating activity between TELACU and the use of 1390 E. Mission for construction staging purposes.

All City departments that have been engaged with the emergency shelter project have benefited from Cumming's professional, focused attention on and their efforts to coordinate areas recognized as "critical paths" to completion.

Currently, Phase I of the Project is completed and Phase II is almost complete. The entire project was expected to be completed by January 2019, but is now not expected to have the certificate of occupancy by March 31, 2020. Because the initial amendments to Cumming's Engagement Letter Agreement will not be sufficient to cover the additional time needed for completion of the Project, staff is recommending an extension of their construction management services through August 31, 2020.

In addition, the City is constructing a parking lot at 1390 E. Mission, "Emergency Shelter Annex/Water Utility Access", CIP Project No. 428-2590-XXXXX-71053, the property immediately west of the Year-Round Emergency Shelter project. Because these properties are so close and much of the construction staging for the Year-Round Emergency Shelter project has taken place on 1390 E. Mission, the City has requested Cummings Construction Management to assist with coordinating construction between both sites to reduce episodes of delay and negative impacts to either project as they move forward.

Prepared by: Benita DeFrank, Neighborhood Services Director